

BUFFALO CITY METROPOLITAN MUNICIPALITY (BCMM)

**BUILT ENVIRONMENT
PERFORMANCE PLAN (BEPP)
2015/2016**



Executive Summary

The Buffalo City Built Environment Performance Plan (BEPP) is a brief, strategic overview of the built environment aimed at improving the performance of metropolitan built environment. It is a city-level plan formulated and approved by the metro, and it complements existing statutory plans and compliance with legal requirements.

The core objective of the BEPP is that it provides (i) a strategic overview of the built environment; (ii) programmes and targets with an outcomes focus; (iii) basis for infrastructure grant submissions and grant alignment.

The BEPP indicates how a metro will apply its capital financing, including grant resources and all other sources of finance, fiscal and regulatory instruments and incentives and what it intends to achieve with these resources and instruments in respect of the local, provincial and national priorities of improving the performance of our built environments and transforming the spatial urban form.

The BEPP is intended to be the reference point for national and provincial spheres and other key stakeholders to make informed decisions and investments in the built environment. The 2014/2015 BEPP was the baseline for the built environment spatial integration plan and corresponding capital budget against which longer term performance will be measured.

The format of the BEPP can be summarized as follow : **Section A** provides the general background, reference material used and the formal adoption of the BEPP by Council. **Section B** deals with the strategic review of the built environment. The current performance of the built environment is discussed with a synopsis of the city's economic infrastructure, a review of current residential demands, typology and backlogs, the status of the city's infrastructure with the associated demands and backlogs, community infrastructure, how the natural environment support and constrain urban growth and lastly a review of the trends in demand for transport services by mode and income group. Section B concludes with an overview of the impact on the spatial form of the city i.e. the emerging trends emerging and development tensions or competing demands.

Section C focus of the Metro's Spatial Development Strategy in relation to the envisioned performance of the built environment at the city-wide level. It is a strategy for the functional integration of economic and social infrastructure supported by transport, housing, related community infrastructure and ecological infrastructure. It includes an overview of area-based management initiatives including catalytic projects of the municipality.

Secondly, this section deals with the identification of Urban Network, Integration Zones and Hubs. The identification of catalytic projects and/or programmes by prioritised Integration Zone illustrating the intervention, sequencing, budget allocation and funding source. Each catalytic project or programme located and linked to a network element i.e. CBD, Urban Hub, Transport Link and Activity Corridor.

Section D discuss the anticipated outcomes and outputs of investment in the built environment i.e. the high level development objectives and desired outcomes that is city-wide outcomes and

impacts. **Section E** focus on the institutional arrangements for integrated planning and BCMM's arrangements for capital programme management, the function of the supply chain management system and procurement planning for the metro. The BEPP concludes with a summary of the financial allocations in the MTREF (Annexure C) to support the spatial development strategy. The value of each catalytic project or programme identified in BCMM are provided for the MTREF period..

Annexure A is the proposed performance indicators for the USDG related indicators, **Annexure B** is the matrix of catalytic projects for and **Annexure C** is the project to be implemented for the 2015/2016 MTREF period.

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Glossary of Terms

BCMM	Buffalo City Metropolitan Municipality
BEPP	Built Environment Performance Plan
BRT	Bus Rapid Transit
CBD	Central Business District
CSP	City Support Programme
DEDEAT	Department of Economic Development Environmental Affairs and Tourism
DORA	Division of Revenue Act
DWS	Department of Water and Sanitation
EC	Eastern Cape
EIA	Environmental Impact Assessment
GVA	Gross Value Added
HDA	Housing Development Agency
HSDG	Human Settlement Development Grant
ICDG	Integrated City Development Grant
IDP	Integrated Development Plan
IDZ	Industrial Development Zone
IPTP	Integrated Public Transport Plan
IT	Information Technology
INEP	Integrated National Electrification Grant
LED	Local Economic Development
LUMS	Land Use Management System
MOSS	Metropolitan Open Space System
MTREF	Medium Term Revenue and Expenditure Framework
NDP	National Development Plan
NDPG	Neighborhood Development Partnership Grant

NUSP	National Upgrading Support Programme
PDoHS	Provincial Department of Human Settlements
RoD	Record of Decision
PRASA	Public Rail Authority of South Africa
SDF	Spatial Development Framework
SPLUMA	Spatial Planning and Land Use Management Act 2013
SDBIP	Service Delivery and Budget Implementation Plans
SIPs	Strategic Infrastructure Projects
Stats SA	Statistics South Africa
UNS	Urban Network Strategy
USDG	Urban Settlement Development Grant
WSA	Water Services Authority
WSP	Water Services Provider
WWTW	Waste Water Treatment Works

SECTION A

Introduction



A.1 Background to the BCMM BEPP

A.1.1 Introductory Statement

This document, the Buffalo City Metropolitan Municipality's Built Environment Performance Plan 2015/2016 (BEPP), is submitted in accordance of the Division of Revenue Act (DoRA) requirements in respect of the various grants related to the built environment and secondly in partial fulfilment of the requirements of the Integrated City Development Grant (ICDG) in the 2015/2016 financial year.

The 2014/2015 BEPP was a departure from previous years' BEPP submissions in that it attempted to provide a brief and to-the-point overview of the spatial planning and strategic programme and project activities being developed by the Buffalo City Metropolitan Municipality (BCMM) as part of its commitment towards driving and facilitating spatial transformation of the overall human settlement patterns in the municipal area. In particular, the re-configuration of inefficient urban development patterns that remain as a fundamental challenge to future sustainability of the Metropolitan area is seen as a priority.

The 2014 Guidance Note on the compilation of this year's BEPP submissions has introduced a new approach as part of the broader change in emphasis emerging from national policy in the form of the overall strategic direction of the National Development Plan (NDP, 2010) and policy-related initiatives and programmes such as the City Support Programme (CSP), which seeks to support metropolitan municipalities to pursue *"the development of more inclusive, diverse, productive, equitable and sustainable cities"*

It is also recognised that the focus in the new CSP approach is encapsulated in the Urban Networks Strategy, which "aims to transform and integrate the development of targeted township economic nodes by locating and linking them within wider 'urban networks'. It includes a targeted investment programme that aims to transform the spatial form of SA's larger urban centres and increase access to amenities, especially for the poor located in marginalised townships".

In the 2015 BEPP the focus shifted more towards the acceleration and implementation of catalytic interventions necessary to achieve spatial transformation of the urban environment. The BEP aims to demonstrate the use of the various grants for the purpose of restructuring through targeting the expenditure in areas that will maximise the positive impact on citizens, leverage private sector investment and support growth.

Acknowledging the above, therefore, it is emphasised that BCMM is further strengthening its processes to reinforce the alignment of its spatial planning and related prioritisation of investment and resources with the imperatives of the Urban Networks Strategy. This will continue to cascade down into the prioritisation processes feeding into the Municipality's Integrated Development Plan (IDP) and Budget.

A.1.2 Documents and References

The BEPP is complimentary to the metro's other strategic documents, including the Integrated Development Plan, the Budget, the Spatial Development Framework, the Draft Metro Growth and Development Strategy and the Human Settlement Plans. The BEPP can be seen to represent an investment strategy towards fulfilling its objectives of a inclusive city, sustainable and productive city which are spatially transformed and more compact in its development approach.

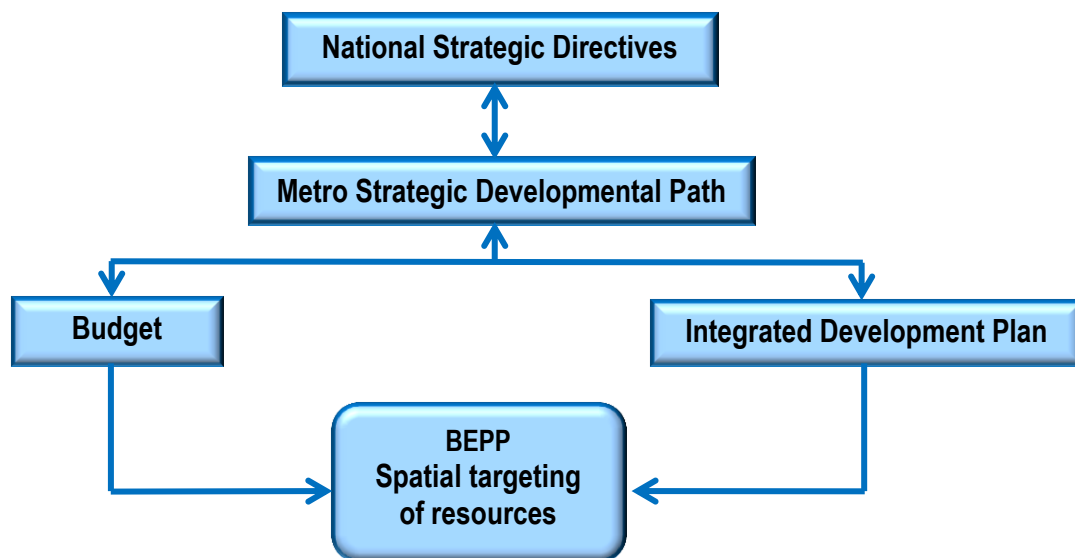


Figure A. 1 : The relationship between the BEPP and other strategic plans and instruments

The following documents and data sources were used in the formulation of the Draft 2015/2016 Built Environment Performance Plan : -

- BCM Spatial Development Framework Review: 2013
- Buffalo City Municipality's Housing Sector Plan 2010
- Buffalo City Metropolitan Municipality's Situation Analysis Report: April 2012
- Buffalo City Metropolitan Municipality's Integrated Sustainable Human Settlement Plan working documents and data: 2011-2014
- Buffalo City Metropolitan Municipality BEPP 2014/2015
- Buffalo City Integrated Development Plan 2013-2014
- National Development Plan 2010
- Eastern Cape Provincial Spatial Development Plan: 2010
- Provincial Growth and Development Strategy: 2006

- Spatial Planning & Land Use Management Act (Act 16 of 2013)
- DORA 2014/15 and 2015/16 including the grant frameworks of the relevant infrastructure grants
- ICDG Framework in DORA 2015/2016
- Guideline for Framing Built Environment Performance Indicators for Metropolitan Municipalities, p2; National Treasury, draft of October 2013
- Concept document : National Human Settlements Plan, August 2014

A.2 Statement on the Adoption of the BEPP

The BEPP is a requirement of the DORA in respect of infrastructure grants related to the built environment of metropolitan municipalities. In terms of the Division of Revenue Act, 2014 Metropolitan Municipalities are required to draw-up and submit a Built Environment Performance Plan (BEPP) to Council for adoption.

BCMM Council considered the approval of the BEPP 2015/2016 on 28 May 2015.



SECTION B

Strategic Review of the Built Environment



B.1 Current Performance of the Built Environment

B.1.1 Trends And Pressures

Growth Trends

Buffalo City is the main urban centre of the eastern part of the Eastern Cape. It consists of a number of urban areas, stretching along an extended road and rail corridor from the “port city” of East London to the east, through to Mdantsane and reaching Dimbaza in the west. Buffalo City’s land area is approximately 2,515km², with 68km of coastline.

The Census 2011 conducted by Statistics South Africa, estimated the total population of Buffalo City to be 755 200 in 2011, a marked growth from the 2001 census which put it at 704 855. The city population contributes to 11.5% of the Eastern Cape provincial population. Rural to urban migration appears to be the major contributor to this growth.

The coastal areas to the west and east of the City are attracting the greatest land development pressure from the private sector. In addition, there are signs of development interest along the watersheds towards King Williams Town and Macleantown. Overall, however, the main areas of need remain focused in the central sector of Greater East London-Mdantsane and the West Bank area of the city.

The greatest hurdle to sustained and focused land development remains inadequate water and sanitation infrastructure, which is related to historical under-investment in the networks servicing the areas of greatest need. This challenge is now being addressed through key investments in bulk infrastructure in these areas..

Land use/ settlement patterns

A general appraisal of land use and settlement patterns within the BCMM indicates clearly that the urban settlement pattern is dominated by the East London / King William’s Town urban development axis. Non-urban land within the Municipal area is characterised either by distinctive enclaves (mainly within the areas of the former Ciskei but also notable on the outskirts of East London in the form of Newlands) where rural and peri-urban settlements accommodate some 20% of the Municipal population, or by land used for intensive and extensive agricultural purposes. However, within the generalised spatial landscape of the above areas, one finds diverse and complex urban and rural situations.

As indicated on the plan below, the existing urban areas and settlements in Buffalo City are spatially fragmented, which is a feature of the entire municipality. The spatial fragmentation creates a negative urban dimension.

In Buffalo City, the following three main identifiable land use patterns are identified (Refer to Figure B.1 attached):

- The dominant urban axis of East London – King William’s Town – Dimbaza. These areas dominate as the industrial and service sector centres in the Buffalo City Metropolitan Municipality and attract people from throughout the greater Amathole region in search of work and better access to urban services and facilities.
- The second broadly characterised area comprises the fringe peri-urban and rural settlement areas, which whilst remaining under the influence of the urban axis described above, are distinct in character and land use patterns. These areas include the Newlands settlements (north of Mdantsane), those settlements that previously fell within the former Ciskei bantustan, and the Ncera settlements located west of East London.
- Thirdly, the commercial farming areas form a distinctive type of area. These areas are dominant in the north-eastern and south-western (coastal) sectors of the Municipality and are characterised by extensive land uses, with certain areas where intensive farming (irrigation-based) occurs.

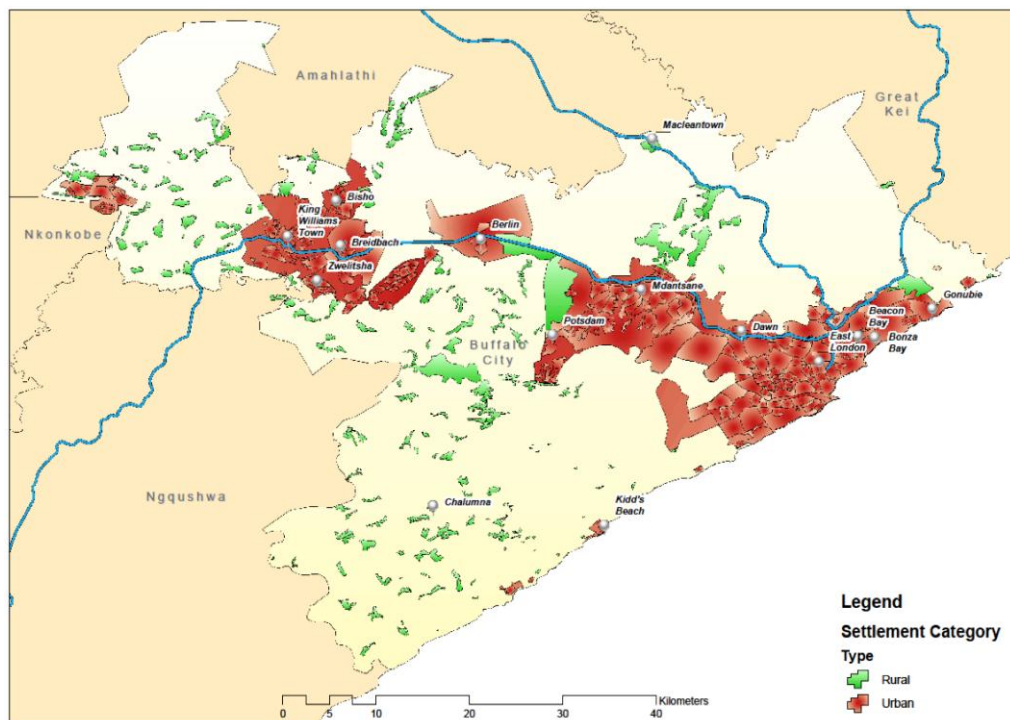


Figure B.1 : Broad Settlement Types in Buffalo City

B.1.3 Impediments To Growth & Development

The following impediments to growth and development and their implications in relation to spatial development, are set out below:

Natural Environment

Broadly speaking, the natural environment of the Buffalo City Metropolitan area displays the following characteristics that inform spatial development: -

- The topography is dissected by major river systems, which leads to a fragmentation of land tracts, characterised by steep valley slopes and ridges.
- Consequently, it is difficult to achieve large-scale uniformity of development – typically; built development is only possible on pockets of developable land.

Because of historical discriminatory land administration practices and consequent over-concentration of people who are resource-reliant in parts of the Metropolitan Municipal area, resource degradation has occurred in both urban and rural areas of BCMM. Nevertheless, the Municipal Area still has some valuable pristine areas, which offer opportunities for conservation and appropriate management.

Infrastructure investment

There is a backlog in investment in infrastructure – more detail is provided in Section B3 below. This has an impact on the current performance of the built environment as well as on the spatial proposals that are put forward to deal with anticipated growth.

As noted above, there is also a disjuncture between where the backlogs and informal settlements are located and the availability of capacity in infrastructure networks to service these areas.

Linkages between urban and rural areas

The spatial system in BCMM is complicated by the fact that the population consists both of communities that are more dependent on, and therefore functionally linked to, the urban economies of the towns and cities, and communities that pursue a more “independent”, functionally rural lifestyle.

The urban zones, being Greater East London, Mdantsane/ Potsdam and Greater KWT together account for 69.75% of the total population. As expected, these areas are also characterised by a majority of formal dwellings, with the rural settlement areas displaying a preponderance of less formal traditional dwellings.

The fact that the majority of people reside within the urban sphere of influence suggests that the interplay between rural communities and the urban economies is a critical functional element in Buffalo City. This must be regarded as a guiding factor in the formulation of

appropriate strategies for development projects and land reform in the Buffalo City Metropolitan Municipality.

In essence, there seems to be a fundamental tension in such areas where productive potential exists but the demographic structure of resident communities militates against the maximisation of this and, instead, the area acts as a safe place of residence (as opposed to work and production) for the younger and older generations. Clearly this fact needs to be taken into account in any planning strategies to be formulated for these areas.

B.2 Economic Infrastructure Review

Current & Projected Future Population

The Census 2011 conducted by Statistics South Africa, estimates the total population of Buffalo City to be 755 200, a marked growth from the 2001 Census which put it at 704 855. Growth projections to the year 2020, taking into account the anticipated impact of HIV/AIDS, indicate an estimated total population of some 1,290,000 people. The last two official censuses for the BCMM population were broken down as follows:

Area	1996	2001	2011
KWT & Surrounds	183 934	184 246	106267
East London Area	187 120	204 862	294653
Mdantsane Area	176 483	168 284	164681
Rural South	62 530	63 967	66422
Rural North	76 881	80 536	123164
Total	685727	704855	755 200

Table B.1 : BCMM Population Census 2011

According to the 2014 Socio-economic profile of Buffalo City undertaken by ECSECC, the annual rate of population growth since 2005 has been 0.8%. This is lower than the 1.2% growth rate of South Africa, but higher than the Eastern Cape whose population has grown at 0.5% pa since 2005.

Year	Population	% Change (y/y)	Population as % of EC (%)	Population Density
2009	759 667	0.74	11.22	300.15
2010	765 396	0.75	11.25	302.01
2011	771 285	0.77	11.34	305.69
2012	778 391	0.92	11.44	308.51
2013	785 330	0.89	11.55	311.26

Source : ECSECC 2014

Table B.2 : BCMM Density



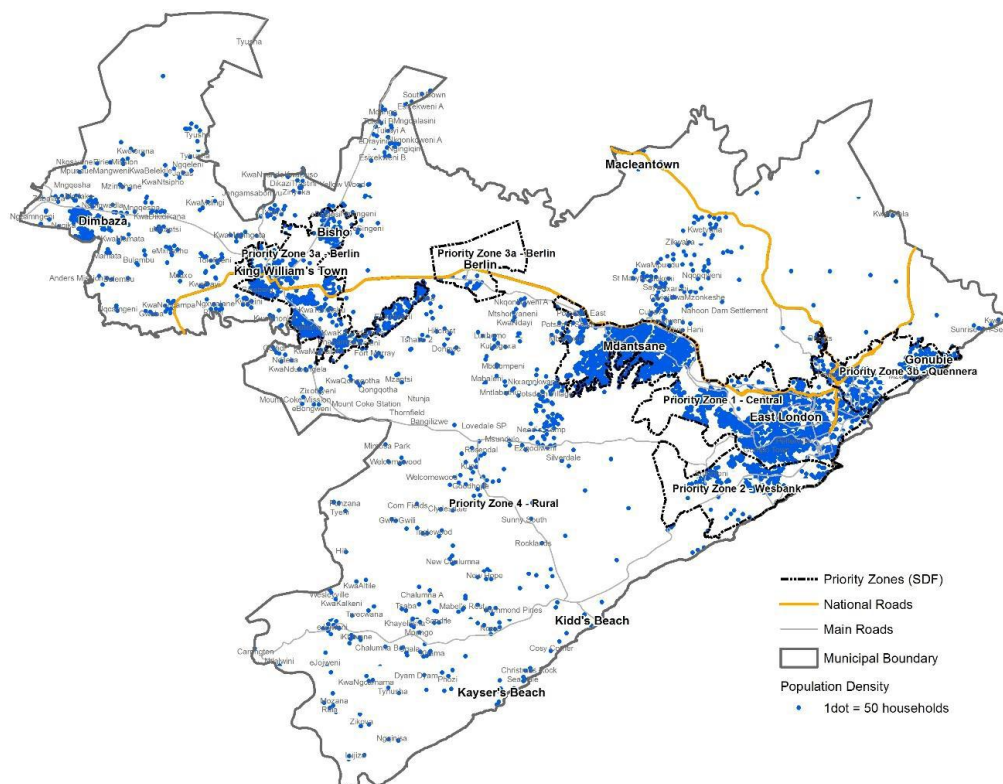


Figure B.3 : Population Density in Buffalo City

The Buffalo City Metro is populated with 2,511 people per km² compared to South Africa (42 people per km²) and the Eastern Cape (42 people per km²).

The population projection has implications in terms of the type and number of facilities to be provided for by the municipality for the next ten years (2011 – 2021). It should further be noted that future growth and migration patterns would depend largely on the performance of the local economy and the impact of the AIDS epidemic.

Demographic Profile & Socio-Economic Aspects

The demographic and socio-economic profile of the residents of Buffalo City indicates the following: -

- In 2013 there were an estimated 234 855 households in Buffalo City metro. This represents 1.7% of South African households and 13.2% of those in the Eastern Cape. Since 2005, the number of households in the Buffalo City metro has increased by 1.3%, while the number of households in South Africa and the Eastern Cape has increased by an annual average rate of 1% per annum. There is a general trend of fewer people per household. (ECSECC, 2014)
- The relatively youthful profile of the population suggests ongoing pressure to provide not only the physical facilities required (housing, schooling and training facilities etc.) but also highlights the need to increase the rate of creation of job and work-related training opportunities in the local economy.

- Pronounced higher female residency in the older age groupings, also highlights the essentially social-reproductive role fulfilled by many rural areas, in providing places of residence for school going aged children, often under the guardianship of grandparents or elderly family members.
- Currently BCMM has the highest HIV prevalence rate in the province, whereby 44 out of 86 health facilities falls above the provincial rate of 11% (Department of Health).
- The illiteracy rate in Buffalo City is high with over 11% of the population being functionally illiterate. (ECSECC, 2014)
- Almost 39.1% of the total population for BCMM falls into the category of reaching grade 8 or less in terms of education. Those who completed high school make up 21% of the population, while those with tertiary education only make up 6% of the population.
- The relative affluence of the majority of Buffalo City residents remains low, with only some 17% of the persons in the area earning more than R1600 per month. 31% of the population earns below R1600 per month. Many of the employed citizens of Buffalo City are employed in the informal or second economy.
- Low incomes coupled with reliance on pensions, grants and remittances (and, in places, subsistence farming) as the main survival strategy in these areas highlights the need to address rural poverty as a key element in an overall balanced development strategy.
- An average employment rate of 31.2% exists within the urban areas, whereas the rural areas have an average employment rate of some 21%.
- The community services sector employed about 30% of the employed in BCMM. This is followed by trade, 22 % and manufacturing 19%.
- The rate of unemployment in Buffalo City, is at an estimated 35%, which is lower than the Eastern Cape Provincial average of 37.4%. (Census 2011)
- Census 2011 indicated that the out-migration from the Eastern Cape Province amounts to 1,960,996 persons – 86%, as opposed to 14% in-migration. The out-migration is mainly to the Western Cape (888,609) followed by Gauteng (529 149) and to KwaZulu Natal (278 840).

Assistance to the Poor

The assistance to the poor statistics are a valuable yardstick to measure the wealth or financial state of residents in the Metro. They indicate the percentage of municipal account holders that cannot afford municipal services. This is directly related to poverty levels in Buffalo City Metro.

Households that are unable to pay their monthly accounts and which apply and qualify for financial assistance in terms of the metro's Indigent Policy. This financial assistance comes directly from the Municipality's Equitable Share allocation. In the 2013/2014 financial year the number of indigent households registered with the metro was 173 593. This is indicative of an increasing levels of poverty as well as formalising housing for the poor. As the number of indigent grows, so more free basic services are provided to poor households. This erodes the equitable share allocation and less of this grant is available for repairs and maintenance. This results in an increase in the repairs and maintenance backlogs.

Local Economy

The following features are noted: -

- The Gross Value Added by the metro is R29 billion in 2013 (ECSECC, 2014)
- The Gross Domestic Product by the Region is R32.5 billion in 2013 (ECSECC, 2014)
- The BCMM Gini Coefficient is 0.55 This has improved over the last ten years. (ECSECC, 2014)
- There is an estimated 365 410 people living in poverty in the metro, representing 47% of the metro's local population. However, the number of people living in poverty is declining moderately and since 2005 it has declined by an annual average of 0.7%. (ECSECC, 2014)
- Household expenditure in the BCMM district is estimated to be just under R18.84 billion, with household income at R18.42 billion – indicating very little household savings. Housolds tend to spend less on durable good (just over 12%), spending a greater percentage on non-durable (34%) goods and services (40.8%). Consequently there is very little wealth accumulation. (ECSECC, 2014).
- The number of economically active people in Buffalo City in 2013 was 347 579 representing 44% of the region's population. The corresponding figure for the Eastern Cape and South Africa was 30% and 38% respectively. (ECSECC, 2014).
- The number of people employed in 2011 is 185,215 as per Census 2011 and in 2013 it was 277 154 as per ECSECC, 2014.
- The number of unemployed people in 2011 is 100,008 (19.48%) as per Census 2011 and in 2013 it was 74 277 (21%) as per ECSECC, 2014.
- The unemployment rate as per Census 2011 is 35.1%
- A high unemployment rate of 35 % compounded by low education levels of the labour force including large numbe of illerate adults with limited employment prospects.
- There is a concentration of economic activity in centres such as the East London and King William's Town Central Business Districts, and in areas such as Vincent and Beacon Bay (Regional Shopping Centres).
- There has been a relative decline in economic activity in inland areas of the Municipality (such as Bhisho, Dimbaza etc.) and a consequent loss of retail opportunities in these areas, requiring local residents to travel further afield to seek the goods and services they require. This, in turn, places further emphasis on managing spatial development in a way that enhances the viability of economic enterprises at places of strategic locality (and good accessibility).
- There is considerable pressure for access to land in the rural settlement areas of Buffalo City, which, in turn, has meant that informal settlement development has increasingly occurred on land on the periphery of established settlements (e.g. Mdantsane and Newlands, Fort Grey and Greydell).
- Ageing and inadequate investment in the maintenance and upgrading of infrastructure hampers economic growth.
- The dependence on the automotive sector and insufficient diversifaction within the manufacturing and other sectors
- A lack of up-to-date economic statistica and monitoring and evaluation systems.



- Buffalo City also contains a number of strengths to build upon for growth and development. A coastal location, scenic environmental assets, a well-performing automotive industry and the status of being the capital of the Eastern Cape Province are a few of these comparative advantages to exploit in order to combat poverty and create jobs.
- Buffalo City needs to further diversify the local economy especially within the manufacturing sector. This would also imply the diversification of markets for manufactured products and services.
- It is important to invest in intellectual capital, creativity and technical capabilities of the labour force through skills development.
- More private and public investment are required to accelerate the production of all economic sectors.

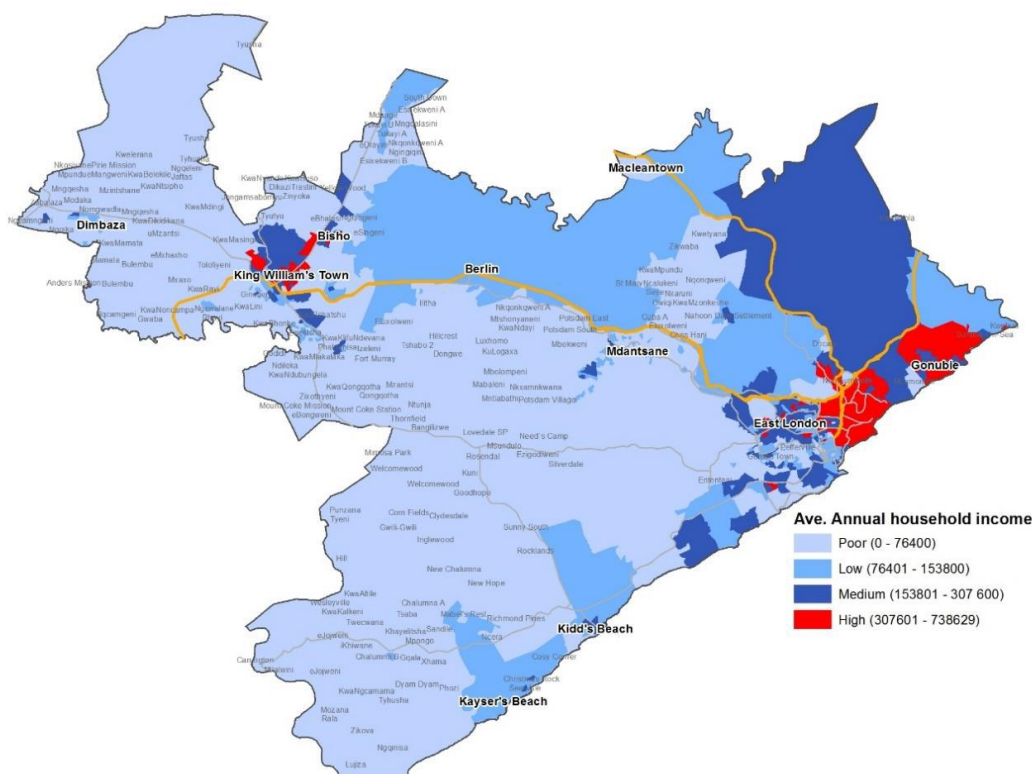


Figure B.4 : Household income distribution

Tourism Development and Promotion

Tourism is one of the key growth economic sectors of the municipal economy. Despite the recession it has continued to show prospects for job creation, skills development and marketing of the BCMM as tourism destination. Most of the visitors comprise domestic tourists seeking an outdoor leisure holiday, attendance at major sporting events such as IronMan 70.3, Cycling and Road Running events, golf or visiting friends and relatives.

Trade and Investment

Trade and Investment is critical for sustained economic development and growth. Key strategic objectives of BCMM are to increase and attract foreign and domestic investment. These

objectives will be achieved through implementing programmes which were aimed at selling BCM to potential investors. The Airport and Harbour provide the potential to assist in improving trade and investment.

Industrial Developments

There are 20 industrial zones in the city, which can be grouped into two broad categories

- *Intensive industrial zones: industries with high employment densities per hectare and enterprises using small properties; mostly located in the core area, close to the central business district, including West Bank and the IDZ.*
- *Extensive industrial zones: low densities of employment per hectare which use a lot of land; mostly located on the city fringe including Berlin, Wilsonia, Fort Jackson and Arnoldton, with additional minor industrial zones located in Beacon Bay and Gonubie.*

The West Bank is the largest industrial area in Buffalo City. This area currently has a wide variety of industries, with Mercedes Benz SA (formally Daimler Chrysler) being the largest industry.

East London Industrial Zone

The 455 hectare site has been increased with the leasing of a further 800 hectares of land in Berlin which will be used for a renewable energy cluster and planned agro-processing park. The ELIDZ has become a diversified industrial park which offers investors customised industrial solutions and world class infrastructure. The zone's international footprint now spreads over 11 countries. The zone was specially set up for light industry manufacturers in search of ultimate global competitiveness and new market entry.

The total number of secured investors has grown to 34 with a bulk of these already operating from the zone. Direct manufacturing and related services jobs in the ELIDZ has grown to 2992 direct jobs in 2013/14. An additional 1 659 jobs have been pledged by investors and these will be realized in the next 18 to 24 months.

A total of 1 571 direct construction-related employment opportunities were also created in the last twelve months. The impact, however, is wider than just the zone. The ELIDZ has awarded over a R1 billion worth of contracts to BBBEE enterprises and just over R300 million worth to qualifying SMMEs.

Through the Mercedes Benz South Africa's (MBSA) W205 C-Class project, the ELIDZ has attracted six new investors worth over R890 million. About 849 jobs existed in the automotive and related industries before the W205 project. More than 534 additional job opportunities have been created following the introduction of the project.

The ELIDZ has also increased investment in the aqua-culture and renewable energy sectors, a further signal that the zone is making significant strides in diversifying the regional economy.



This is attributed to the settlement of a photovoltaic inverter manufacturing plant as well as a photovoltaic panel manufacturing plant, both as part of the spin-offs from existing renewable energy investments.

The East London Industrial Development Zone established a Science and Technology Park (STP). It is an innovation hub aimed at speeding up the pace of economic development in the Eastern Cape by increasing the competitiveness, efficiency and effectiveness of local industry. The ELIDZ STP is the only park of its kind in the country which is linked to an IDZ and was conceived as a catalyst for growth, collaboration.

The East London Industrial Development Zone will offer significant development potential in the medium term, which would create opportunities for the development of urban settlement extensions in that part of the East London city area (West Bank). There is a projected R14.4 billion investment in the IDZ for the next 3 – 5 years.

Informal sector

Generally the informal sector activities occur predominantly in two forms:

- *As enterprises operating from within the home (e.g. Spaza shops, shebeens).*
- *As informal sector activities occurring outside major transport termini (e.g. Highway Taxi terminus in Mdantsane), outside high-visibility buildings (major supermarkets or public buildings), areas of high density in terms of captive population (the C.B.D.), and recognised daily or occasional markets (e.g. craft and fresh produce markets).*

In view of the above realities Buffalo City Metropolitan Municipality must support the local economy through appropriate infrastructure development, provision of municipal services, rolling out of Industrial Policy (Skills Development), improving administrative efficiency (Red tape reduction), support of key economic sectors i.e. Tourism; Agriculture, investment facilitation and business facilitation.

IMPLICATIONS

It is notable that the economy is highly dependent on the unproductive community services sector. This is a negative trend and indicates relatively limited private sector presence throughout the municipality. It is also noted that the local economy is growing at a sluggish rate and employment has generally declined, which affects private sector investments as disposable income levels of the potential target market is low.

The challenge remains how to achieve a more equitable distribution of economic development opportunities when the greater number of the population reside in less economically developed areas and experience an ever deepening poverty cycle.

The availability of good quality infrastructure is key for sustainable economic growth. Poor infrastructure hampers development, growth and the ability to trade in the domestic and global market. Economic infrastructure, which included transport, energy, telecommunications, water

and sanitation and toxic waste disposal – provides services which are of fundamental importance for development.

The spatial distribution of economic activities in Buffalo City has tended to be nodal in nature. However, recent trends have seen ribbon development along certain strong activity spines and transport routes due to the shortage of space in established business districts and/or lower budget, low-rise, developer driven development in areas of transition and high traffic flow. Industry has been concentrated on the more level land adjacent to major roads and railways.

Commerce and retail have concentrated initially in the traditional central business districts and over time, moved towards suburban nodes and development along significant transport routes, as discussed above. These trends are resulting in a growing number of mixed-use zones along main routes with the associated management problems of traffic congestion, conflicting land uses and inadequate infrastructure.

The fragmented built environment has created a need to improve the linkages between where people live and where investment in employment opportunities takes place. Investment in infrastructure provision for water, sanitation and electricity must be where investment opportunities exist, primarily in the West Bank and IDZ areas.

Crucially, effective links between these investment areas and where people live must be improved. The BCMM SDF Review (2013) makes a strong case for the construction of a link over the Buffalo River (either through the projected N2 – Buffalo River Bridge – R72 route near the airport) or possible viable alternative routes. Whichever is the preferred solution, such a link between the Central East London-Mdantsane urban areas and the West Bank is a vital project to deal with this fragmentation.

B.3 Basic Infrastructure Review

B.3.1 Capacity And Backlog

BCMM is required to provide sustainable, reliable and affordable services and infrastructure for all stakeholder communities within its boundaries. This entails the construction, operation and maintenance of water, sewerage, electrical and roads infrastructure and the day to day provision of these services. The distribution and capacity of infrastructure is a fundamental framework for sustaining development and the manner and spatial location of infrastructure investment influences the response of development.

Unfortunately in many instances this has resulted in scattered development at low densities, leading to expensive and inefficient settlement sprawl. Existing infrastructure has been overstretched and frequent breakdowns, pollution and degradation are experienced as a result.

One of the biggest challenges facing BCMM is the need to maintain the infrastructure that is already in place. There is a huge backlog in terms of water, sanitation, roads and electricity



infrastructure maintenance. While funding is being provided to expand the provision of basic services, in the future more funds on the budget will be directed towards infrastructure maintenance.-

B.3.1.1 Water

Levels and standards in water services:

Outside urban edge (Rural) : For households outside of the urban edge - communal standpipes to RDP standards

Inside urban edge (Urban) : Target level: erf connection and water borne sanitation; and minimum level is yard connection

The municipality has adopted and implementing a water conservation and water demand strategy to reduce the levels of unaccounted for water, which is mainly due to water that is provided free of charge to rural areas and informal settlements but it is not metered. BCMM has allocated R40m per year over the next three years to address this issue.

Conventional meters are read on a monthly basis. Where meters cannot be accessed by the meter readers the consumption is estimated based on the average of the past 12 month's consumption. When the meter reader cannot gain access to the meter, a Locked Slip is left at the premises for the customer to either phone in or email the meter readings for billing purposes. Correspondence is also sent out periodically to consumers/owners to inform them that the municipality requires access to the premises to read meters.

BCMM is both the Water Services Authority (WSA) for its entire area of jurisdiction and the Water Services Provider (WSP) for a large percentage of the area. BCMM has an established Water Services Authority in place, which has the ability and resources to undertake the Water Services Authority functions in its current format.

As the Water Services Provider, BCMM is the retail Water Services Provider for its entire area of jurisdiction and the bulk Water Services Provider for three of the six, surface water supply areas servicing BCMM, and all the groundwater sources. Amatola Water is an external bulk Water Services Provider contracted to BCMM to provide bulk potable water to the remaining three surface water supply areas, delivering 40% of the total volumes of potable water consumed within BCMM. In addition, Amatola Water also delivers raw water in bulk to both the BCMM (supply to the KWT water treatment plant) and Da Gama Textiles in the KWT area. A service level agreement exists between BCMM and Amatola Water in terms of the provision of bulk potable water, by the latter, to BCMM.

The Department of Water and Sanitation (DWS) has shown interest in, and is giving support to, WSA and WSP functions in municipalities. The Department is busy rationalizing its structures in terms of this. Pertinent factors to take into account are the compliances with Blue and Green Drop Certification, DWS initiatives to reduce the number of Water Boards across the country, and the probability of Regional Water Authorities.

Water Supply Schemes

BCMM is currently serviced by 4 regional surface water supply schemes located primarily within BCMM; 2 surface regional water supply schemes located primarily outside of BCMM but feeding portions of BCMM; 1 regional groundwater scheme and a number of smaller local groundwater schemes.

The Amatole Bulk Water Supply System (ABWSS), which comprises the dams and associated infrastructure on the Upper Kubusi, Nahoon and Buffalo Rivers, is the main raw water supply system servicing the BCMM, serving some 82% of the population via the following regional water supply schemes (RWSS):

Water Supply Scheme	Description
Upper Buffalo RWSS	<ul style="list-style-type: none"> The Upper Buffalo RWSS is stressed from a water resource perspective, with supplies to the KWT area already being augmented from the Middle Buffalo RWSS. The KWT-WTP is operating at capacity, as is the raw water conveyance main between Maden/Rooikrantz Dams and the WTP. BCMM are in the initial phases of addressing the above constraints by establishing a regional water treatment plant in the Kei Road area (which will feed into the KWT area via Bhisho).
Middle Buffalo RWSS	The Laing Dam WTP is operating near capacity, with the conveyance infrastructure between the Laing Dam WTP and the Bhisho Reservoirs, as well as the Berlin Reservoirs, currently at capacity.
Lower Buffalo RWSS <i>(Includes extensions namely; Newlands RWSS and Ncera Coastal RWSS).</i>	<p>The following are the key infrastructure constraints:</p> <ul style="list-style-type: none"> The conveyance capacity of the Buffalo River pumping system; The Umzonyana WTP is operating at or near capacity; The absence of a dedicated bulk supply system for large parts of East London between the Buffalo and Nahoon Rivers; High water losses in certain areas; Conveyance capacity between the Umzonyana WTP and the Dawn Reservoirs, as well as the lack of a dedicated bulk supply system between the Dawn and Cambridge Reservoirs; The Nahoon WTP is operating at or near capacity; and Conveyance constraints between the Cuttings and Damspot Reservoirs <p>BCMM have, as a result, initiated projects to:</p> <ul style="list-style-type: none"> Upgrade the capacity of the Buffalo River pumping system; Upgrade the capacity of the Umzonyana WTP; Engaged Amatola Water to investigate the viability of a new

	<p>dedicated bulk main between the Nahoon WTP and the Quenera area; and</p> <ul style="list-style-type: none"> • Reduce water losses within the network. • Amatola Water is also in the process of upgrading the capacity of the Nahoon WTP.
Sandile and the Peddie RWSS's	<ul style="list-style-type: none"> • The Keiskamama System services some 15% of the BCMM population via the Sandile and Peddie RWSS, which predominantly service consumers in the Nkonkobe and Ngqushwa municipal areas. • The Sandile WTP is currently operating at capacity. There are however significant leaks on the scheme, in particular leaks beyond the meter in the Dimbaza area. • BCMM have as a result initiated several WC/WDM projects within the area. • Although certain parts of the Peddie scheme are at or close to capacity, no supply constraints are experienced at present. • The Sandile and the Peddie RWSS's, service around 14% of the BCMM population (located in the Dimbaza and Chalumna areas respectively). • The groundwater supply schemes service the balance of the population, located in rural villages to the north of KWT and several of the coastal resorts to the west of East London. • The ABWSS, which also services consumers in the Amahlati and Ngqushwa municipal areas, has a system yield of 100.1 million m³/a, when operated in accordance with the approved operating rules.

Water Balance

The Department of Water Services have initiated the Amatole Reconciliation Strategy (ARS) to ensure a reconciliation of predicted water requirement with supply available, from the ABWSS over a 30-year planning horizon. A committee of relevant stakeholders including BCMM and led by DWS: National Water Resource Planning, is now established to ensure that the strategies are implemented and periodically reviewed.

The groundwater potential of the area is generally poor with boreholes having low yields and poor water quality, therefore groundwater is not suitable for large scale use.

BCMM is reliant on bulk raw water (for KWT water treatment plant), as well as bulk potable water purchases from Amatola Water, to service its supply area. Current (2012/13) usage is as follows:

	2012/2013	2013/2014
Raw water purchases	3,752 million m ³ /a	3,891 million m ³ /a
Potable water purchases		
Urban	21,356 million m ³ /a	25,803 million m ³ /a
Rural	2,729 million m ³ /a	2,892 million m ³ /a
TOTAL	27,837 million m³/a	28,695 million m³/a

Table B.3 : Water Usage in BCMM

Return Flows

Point source return flows emanate from 7 waste water treatment works (WWTW) and 2 facultative ponds systems. Return flows are currently as follows:

Upstream of Laing Dam	6,053 million m ³ /a
Upstream of Bridledrift Dam	0,000 million m ³ /a
Downstream of Bridledrift Dam	8,186 million m ³ /a (to waste)
Upstream of Nahoon Dam	0,291 million m ³ /a

Table B.4 : Water Return Flows

The Gonubie, East Bank and West Bank works discharge some 20,584 million m³/annum of effluent into the sea. Return flows into dams are not expected to increase significantly in the short- to medium-term, despite the anticipated housing growth and high levels of service to be provided, as the bulk of the areas identified for development fall within the catchment areas of the Mdantsane, Reeston, Central, East Bank, Gonubie and West Bank works (all discharge downstream of dams). Furthermore, water efficiency and water reuse initiatives are anticipated to increase in the short to medium-term. The effluent discharged downstream of dams or directly into the sea is targeted in terms of the Amatole Reconciliation Strategy to augment system yield.

Water Quality

The waters in the Buffalo and Nahoon Rivers are subject to eutrophication and water hyacinth has established in the non-tidal reach of the Nahoon River below the Nahoon Dam. This is primarily as a result of high nutrient levels in these rivers due to industrial (point source) and domestic (point and diffuse source) effluent discharge into the rivers, as well as run-off from agricultural lands (diffuse source). This is by- and- large a result of the following:

- Wastewater treatment works generally operating at or beyond capacity (often as a result of water wastage and inefficient use in their respective catchments); and
- Inadequate sanitation facilities (rural and informal settlements).

The above trends are likely to remain in the short- to-medium-term, unless significant investment is made in wastewater infrastructure upgrade; provision of rural sanitation, and the

delivery of RDP housing. There is also significant pollution emanating from the stormwater networks and run-off from the informal settlement areas

Blue Drop Status

Buffalo City Metropolitan Municipality is the best performing municipality in Eastern Cape Province with support from Amatole Water Board as Water Services Provider. The Municipal Blue Drop Score of 92.55% was achieved.

Water Conservation and Demand Management

BCMM adopted a Water Conservation and Water Demand Management Strategy in 2012, which targets a raw water saving of 1.61 million m³/a and a potable water savings of 4,67 million m³/a over a 5 year period, at a cost of R131,121 million. The Strategy focuses on:

- Reduction of non-revenue water volumes
- Mains replacement (old AC pipes) and leaks repair
- Universal metering, billing, credit control and debt collection
- Increasing the volume of billed/metered consumption
- Universal metering
- Meter maintenance and repair
- Reduction of raw water losses at dams and water treatment plants
- Metering, operational control and waste water recovery
- Promotion of water use efficiency
- Community awareness programmes
- By-laws (water efficient fittings for new houses)
- Enhance institution capacity
- Election of a political Champion
- Enhanced staffing and budgets
- Routine water balances

Water Conservation and Water Demand Management Strategy is identified as the key intervention in terms of the Amatole Reconciliation Strategy to enable BCMM to meet its short-to- medium-term development objectives from a water resource perspective. The Department of Water Services have advised that no new surface water supplies would be considered for the region, unless BCMM achieve 100% of the savings targeted in terms of the Water Conservation and Water Demand Management Strategy.

Given the existing infrastructure and financial constraints facing BCMM, Water Conservation and Water Demand Management is key to BCMM delivering on its short- to medium-term development objectives. The BCMM has allocated R40 million per annual in the current MTREF towards implementation of WC/WDM Strategy.

Water Use Profile

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2012/13	0	0	8 432 650	26 413 085	29 289 197
2013/14	0	0	8 342 873	31 238 374	25 887 918

Table B.5 : Total use of water by sector

As indicated in the table below, BCMM has a good level of service with regard to access to water, with 68% of households having access to piped water inside a dwelling, and 27% having access to piped water on a communal stand (Census, 2011).

Census	Piped (Tap) water inside the dwelling	Piped (Tap) water on a communal stand	No access to piped (Tap) water
1996	98 593	47 599	14 303
2001	112 593	67 381	11 985
2011	161 283	64 155	6 131

Table B.6 : Distribution of Households having access to Piped (Tap) Water. (Census 2011)

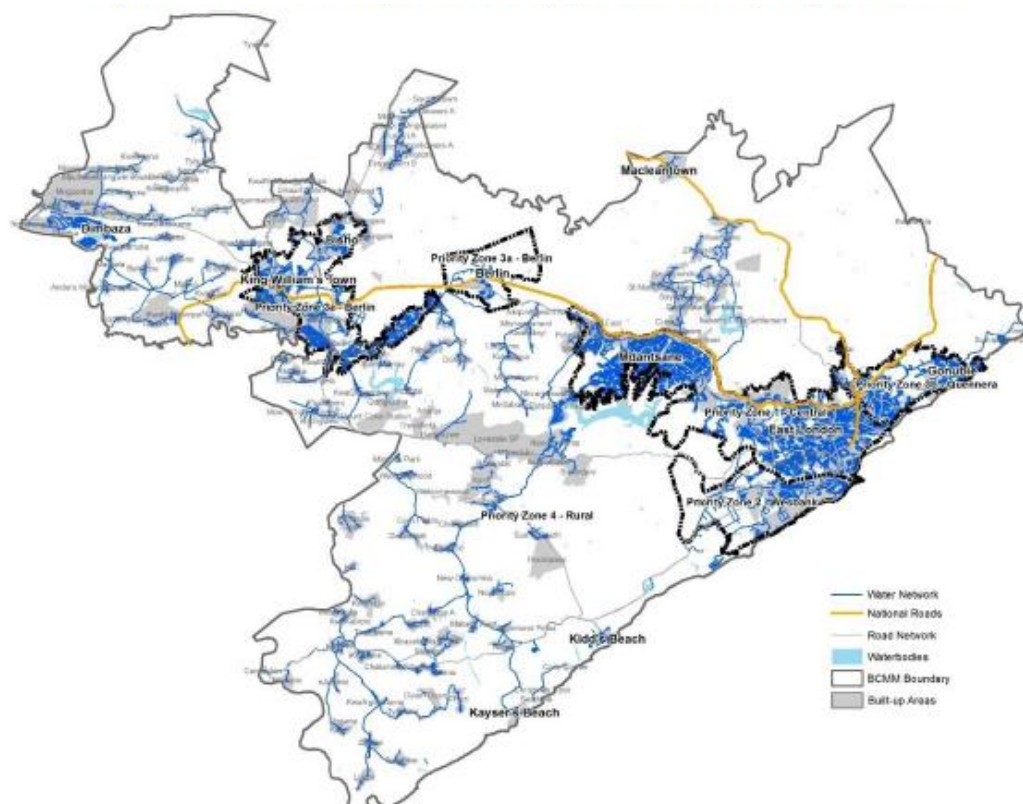


Figure B.5 : Water Network in Buffalo City

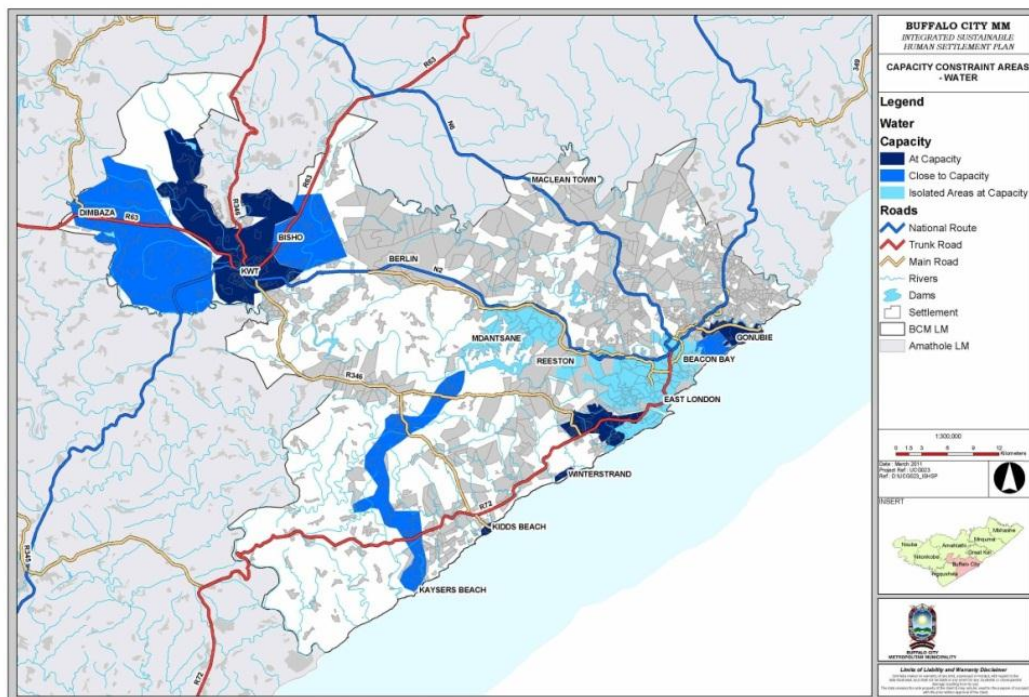


Figure B.6 : Water Capacity Constraints Areas in Buffalo City

The total required funding to address the issue of bulk water conveyance and treatment works to deal with Blue Drop compliance, housing delivery and economic development is detailed in the table below:

PROJECT	SHORT TERM (0-5YRS)	MEDIUM-TERM (5-10YRS)	LONG-TERM (10+YRS)
West Bank Bulk	R 56 317 648	R 118 221 668	R 66 596 618
Umzonyana Gravity	R 134 276 430	R 162 676 759	R 13 898 756
Mdantsane and Dawn Bulk	R 32 601 720	R 119 278 294	R 45 871 321
KWT- Bulk	R 186 503 916	R 64 786 403	R 112 558 255
Nahoon Dam supply augmentation	R 120 000 000	-	R 220 000 000
TOTAL	R 529 699 714	R 464 963 124	R 458 924 950

Table B.7 : Bulk Water funding requirements

B.3.1.2 Sanitation

Levels and standards in sanitation services:

Inside Urban Edge: Target level: erf connection and water borne sanitation and minimum level of yard connection and VIP (or equivalent).

Essential sanitation services are provided for informal settlements in the form of chemical toilets (planned to be replaced with waterborne sanitation).

Outside Urban Edge: Communal standpipes and VIPs (or equivalent). Alternative sanitation technology options are however being investigated to optimise the operation and maintenance implications for BCMM.

Access to waterborne sanitation, with either off or on-site disposal, is limited to the formal and certain larger peri-urban settlements within the Urban Edge of BCMM (some 45% of the BCMM population). These settlements are serviced by 9 wastewater treatment works (WWTW), 6 facultative ponds and 1 sea outfall, each with their own catchment area.

The condition of the sewerage infrastructure throughout BCMM is generally one of inadequate capacity, old and poorly maintained infrastructure, resulting in periodic spillages into the river systems. Due to the topology of the region, there are a large number of sewage pump stations and pipe bridges within the respective drainage regions, which place additional operation and maintenance burden on the service branch.

The following waste water treatment works (WWTW) are operating close to or at capacity.

- Dimbaza
- King Williams Town (Schornville)
- Bhisho
- Breidbach
- Central

The lack of an adequate/appropriate treatment facility on the West Bank, is said to be a factor limiting the development of the East London IDZ.

Apart from the above treatment constraints, various infrastructure conveyance constraints have been identified in the recent master planning. The following have been identified as having significant impacts on the capacity and functioning of the infrastructure:

- High levels of water wastage;
- Vandalism, theft and abuse of infrastructure (including alternative materials used for sanitary purposes);
- Stormwater and root ingress and siltation;
- The collapsing pitch fibre sewers in Mdantsane; and
- Sewers installed with backfalls in certain areas.

As a result of the above, BCMM have initiated the projects in:

- Zwelitsha WWTW, to:
- Establish a regional WWTW in Zwelitsha;
- Divert all flows from the surrounding WWTW's to these works; and
- Decommission the smaller works.
- Reeston WWTW, to:



- Establish a regional WWTW in Reeston;
- Divert flow from the Central WWTW catchment, as well as from the Wilsonia area to these works; and
- De-commission the Central WWTW.

Green Drop Status

The Green Drop Certification programme of 2011/12 verified the status of wastewater service delivery by 156 municipalities via an infrastructure network comprising of 821 wastewater collector and treatment systems.

The BCMM had 15 of wastewater collector and treatment systems audited. The BCMM Sanitation Department was the best performing municipality in the Eastern Province:

- ✓ 80.9% Municipal Green Drop Score
- ✓ 1 Green Drop Awards for 2011/12 (East Bank)



To address the issue of Green Drop compliance, housing delivery and economic development BCMM have initiated the projects below:

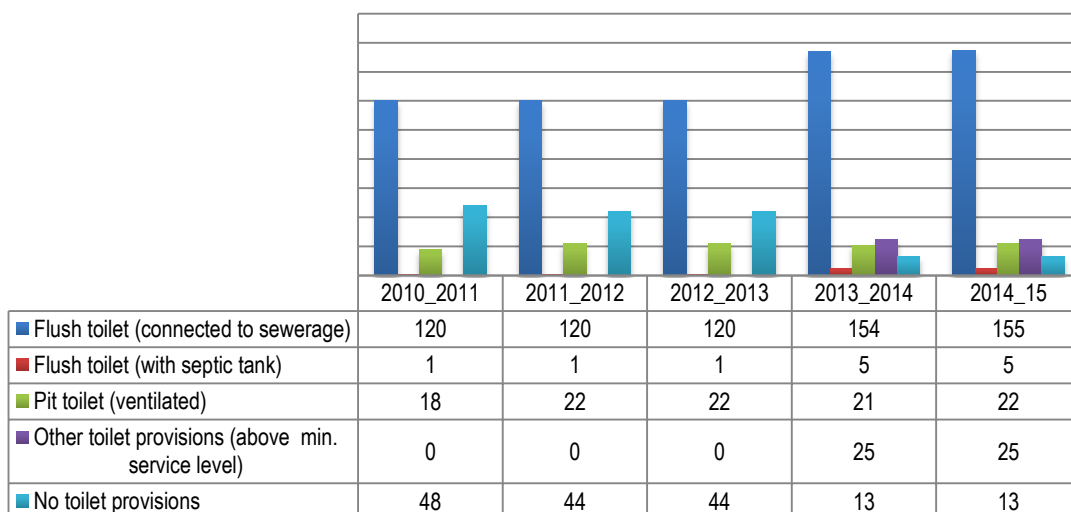
Zwelitsha WWTW

- Establish a regional WWTW in Zwelitsha;
- Divert all flows from the surrounding WWTW's to Zwelitsha WWTW; and
- Decommission the smaller works.

Reeston WWTW

- Establish a regional WWTW in Reeston;
- Divert flow from the Central WWTW catchment, as well as from the Wilsonia area to Reeston WWTW; and
- De-commission the Central WWTW.

Sanitation Service Delivery Levels



As indicated on the table below, 71% of Households in BCMM have access to Flush Toilets. Of concern is the 6.7% of households with no sanitation facilities. (Census, 2011).

Census	Flush toilet (connected to sewerage system)	Pit toilet with ventilation (VIP)	Bucket toilet system	None
1996	107 440	34 032	2 016	16 653
2001	129 125	36 200	2 724	23 909
2011	167 362	37 639	3 172	15 711

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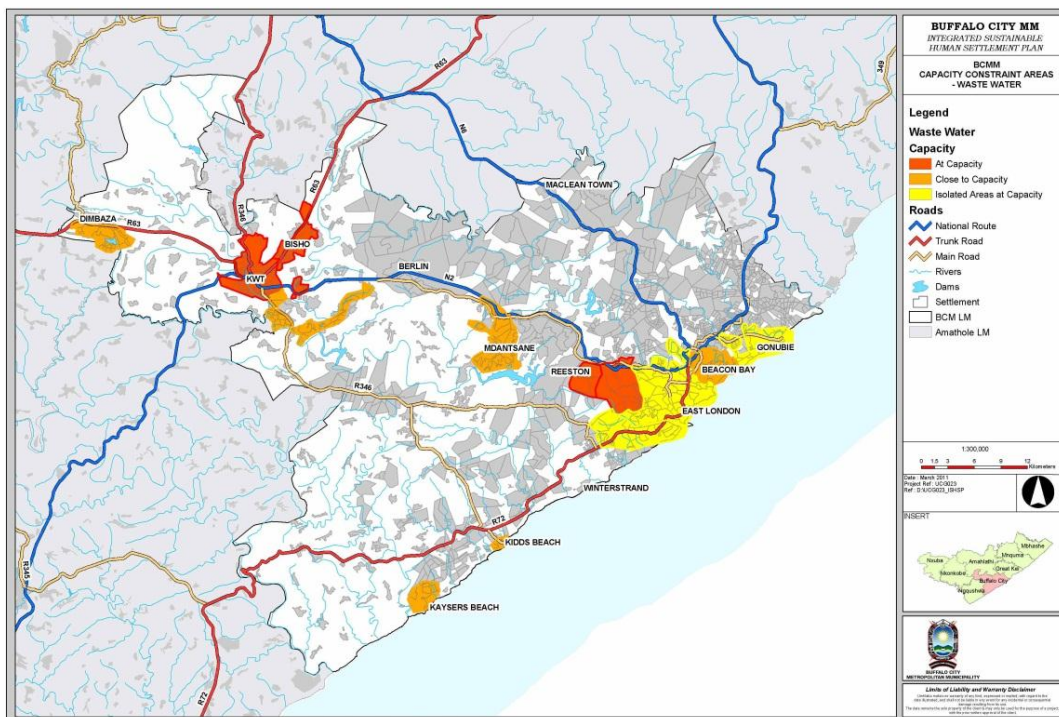


Figure B.8 : Wastewater Capacity Constraint Areas in Buffalo City

B.3.1.3 Solid Waste

Refuse collection

BCMM provides a weekly refuse removal service to only 71% of the households within its service areas. The metro does not provide rural waste collection service. The replacement cost of the solid waste portfolio amounts to R160m.

The majority of informal settlements in Buffalo City Metropolitan Municipality are located in and around East London and Mdantsane. Waste collection from formal settlements is provided through kerbside collection on a once weekly basis. In general, Informal settlements are served by drop off points. Drop off points (either enclosed or open) are provided for the informal settlements, which are cleared by the Municipality generally on a once a week basis.

Generally residents are required to place their refuse on the verge outside their properties on the scheduled day of collection. Residents of flats are required to place their waste at specified and enclosed bulk collection points that are serviced twice a week. Residents are provided with bags and are required to take their own waste to the drop off points.

Waste facilities

BCMM has two permitted landfill sites namely: East London Regional and King Williams Town landfill sites. The East London Regional site is classified as GLB⁺. The estimated lifespan of the site is 30 years. The King William's Town site is situated just outside King William's Town on the R30 district road. All waste collected by the King William's Town Solid Waste Management unit is taken to this site. There are three operational garden waste transfer

stations in Buffalo City Metropolitan Municipality, situated at Kidds Beach, Kayzers Beach and Stoney Drift. There are no garden waste transfer stations in the Midlands or Inland Regions.

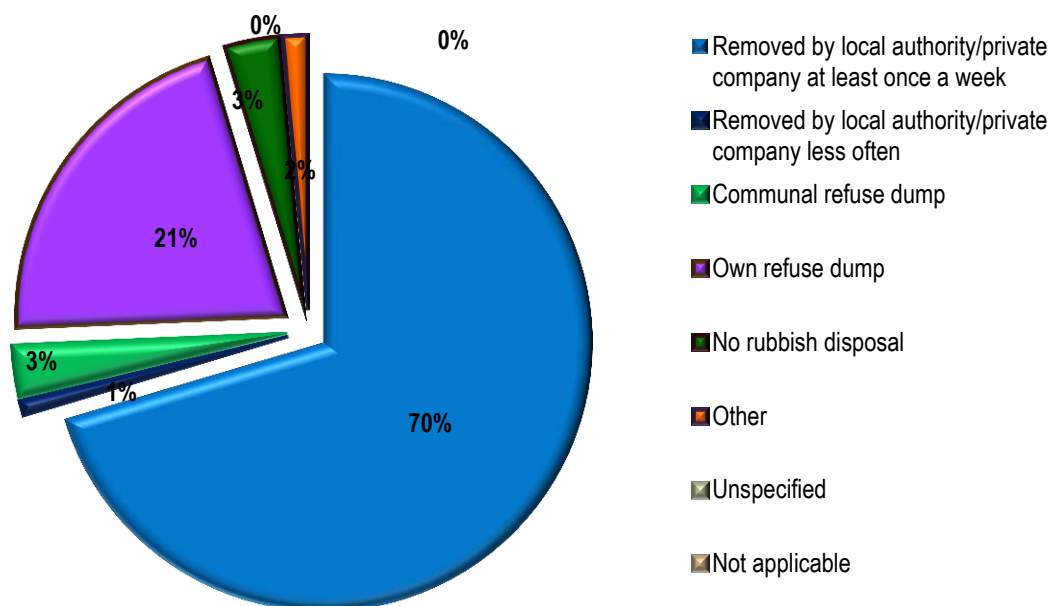


Figure B.9 : Refuse Removal Census 2011 Statssa

As indicated in the table below, 67.5% of Households in BCMM have their solid waste removed by the Municipality or private company. (Census, 2011)

Census	Removed by local authority / private company at least once a week	Communal / Own refuse dump	No rubbish disposal
1996	103 702	45 120	9 861
2001	138 561	43 909	9 488
2011	159 362	53 783	7 258

Table B.9 : Distribution of Households by type of Refuse Removal (Census 2011)

B.3.1.4 Road Network

Roads

Buffalo City Metropolitan Municipality (BCMM) has a surfaced road network of $\pm 1501.5\text{km}$ with estimated replacement cost of $\pm R6, 1$ billion (surfacing and structural replacement of surfaced roads) and a gravel road network of $\pm 1229.5\text{km}$ with an estimated replacement cost of $\pm R0.34$ billion. The road network of BCMM is rapidly deteriorating due to aging and adverse weather conditions (Bridges and Pavement Management System : 2012). In order to eliminate the road network backlog an amount of R600million is required for a period of three years in the capital budget.

Stormwater

BCMM currently attends to the repairs and maintenance of in excess of 20,300 Manholes, Kerb Inlets, Headwalls and other inlet and outlet structures within BCMM many of which are damaged or blocked due to a backlog in maintenance. There is in excess of 550km of Pipes and culverts within the Metro, many of which are very old, and corroded and in need of replacement. As per the Stormwater infrastructure assessment the current backlog is estimated to be R 200,000,000 There is an urgent need to make additional funding available to replace/rehabilitate and upgrade the stormwater network, as it is in a poor condition, and unable to cope with the increased rainfall currently being experienced due to global warming, hence the increase occurrence of flooding throughout the city.

A large percentage of BCMM's road infrastructure is old, rapidly deteriorating and has passed its design life. If roads and storm water systems are not upgraded in terms of increased traffic volumes, axial loading and storm run-off the roads will disintegrate and result in ultimate failure of the road networks.

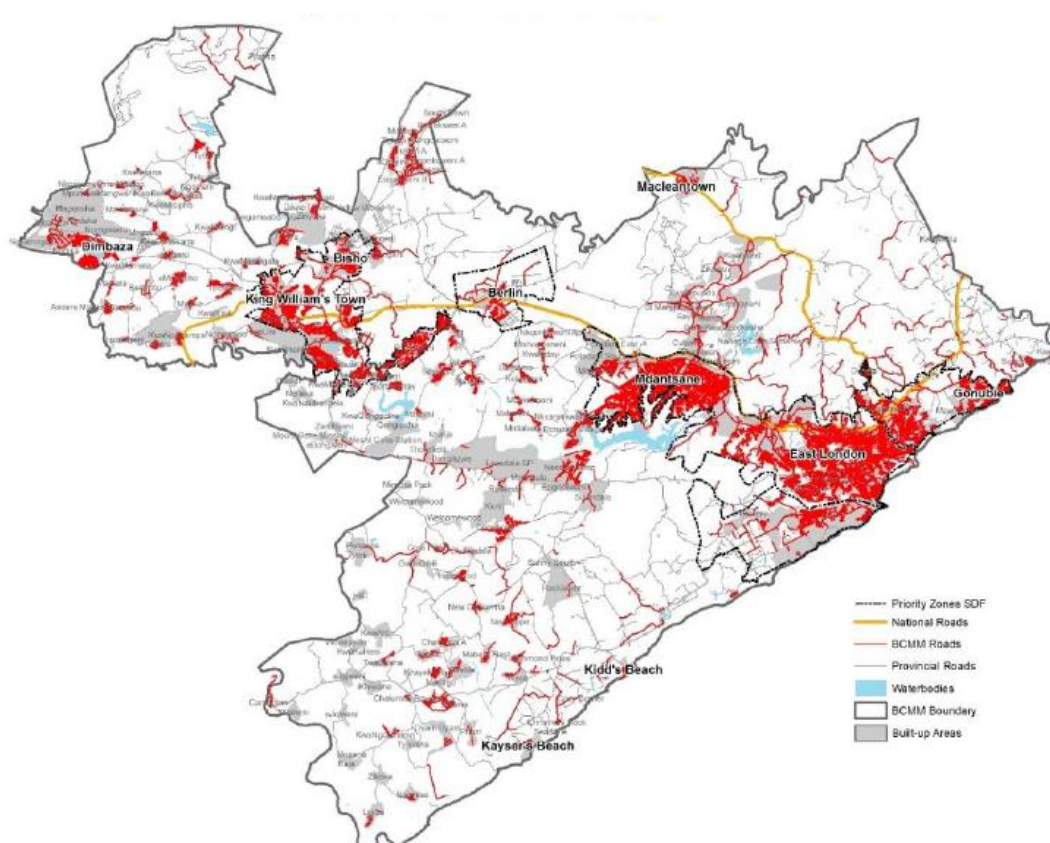


Figure B.10 : Road Network in Buffalo City

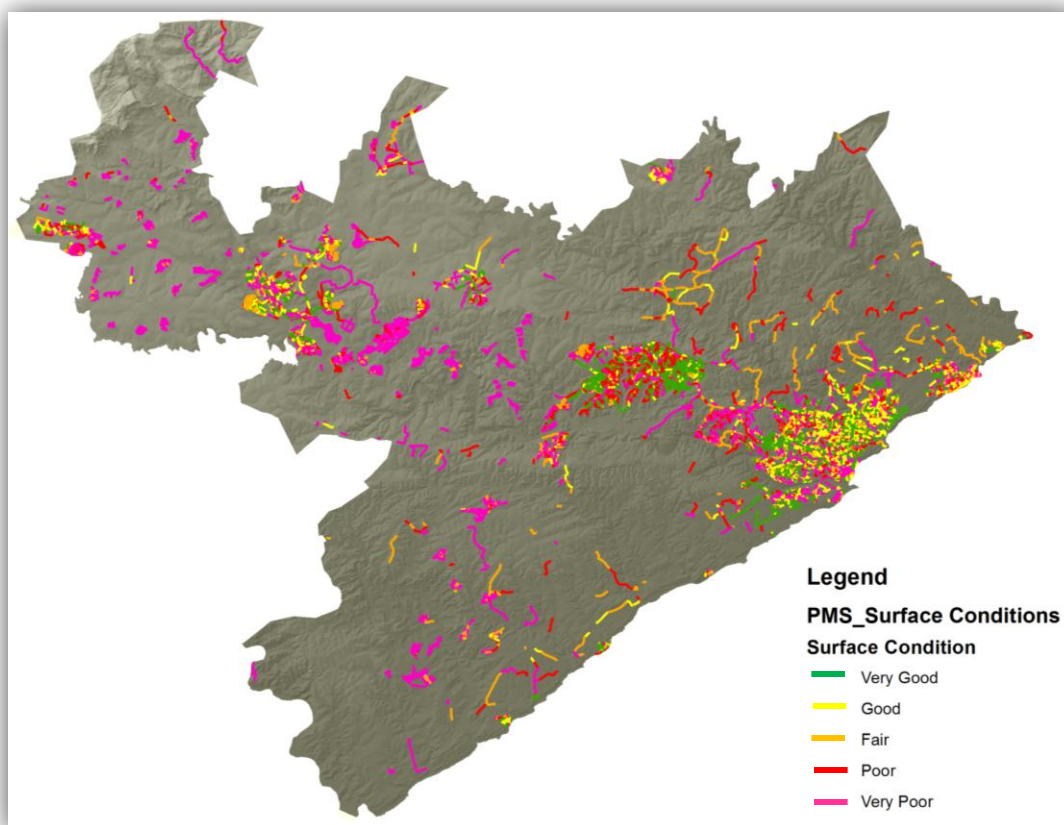


Figure B. 11 : Road Surface Conditions

B.3.1.5 Electricity

The purpose of the Electricity Department is to provide an effective and efficient electrical supply service in accordance with legal and statutory requirements to all legal Buffalo City Consumers within the BCMM electrical network. The BCMM purchases bulk electricity from Eskom via 15 intake points of distribution in the BCMM supply area. This is re-distributed to all consumers within the urban edge.

BCMM is busy updating its existing electrical master plan. It will be that is used to identify problem areas which require action in terms of replace, upgrading or refurbishment. The existing Master plan identified that the network had an estimated R650 million backlog in upgrading, refurbishment and replacement. Over the past three years BCMM have invested an estimated R80 million in the electrical network which has been used in renewing the electrical network, while this investment has assisted in normalising the network but in order for the network to remain stable into the future, a substantial investment into the network needs to be provided.

The BCMM provided a 40 amp RDP service connection which is higher than the normal 20 amps RDP service connection. Access to this supply for low income consumers is through the INEP funding, BCMM counter funding and an approved subsidized connection fee. The council

has approved that indigent consumers be provided with a service connection free of any charges.

As indicated in the table below, 76.7% of Households in BCMM utilize electricity for lighting (Census, 2011)

Census	Lighting	Cooking	Heating
1996	74 962	67 233	62 359
2001	120 843	82 519	68 423
2011	180 914	166 390	91 939

Table B.5 : Distribution of Households using Electricity for Lighting, cooking and Heating (Census 2011)

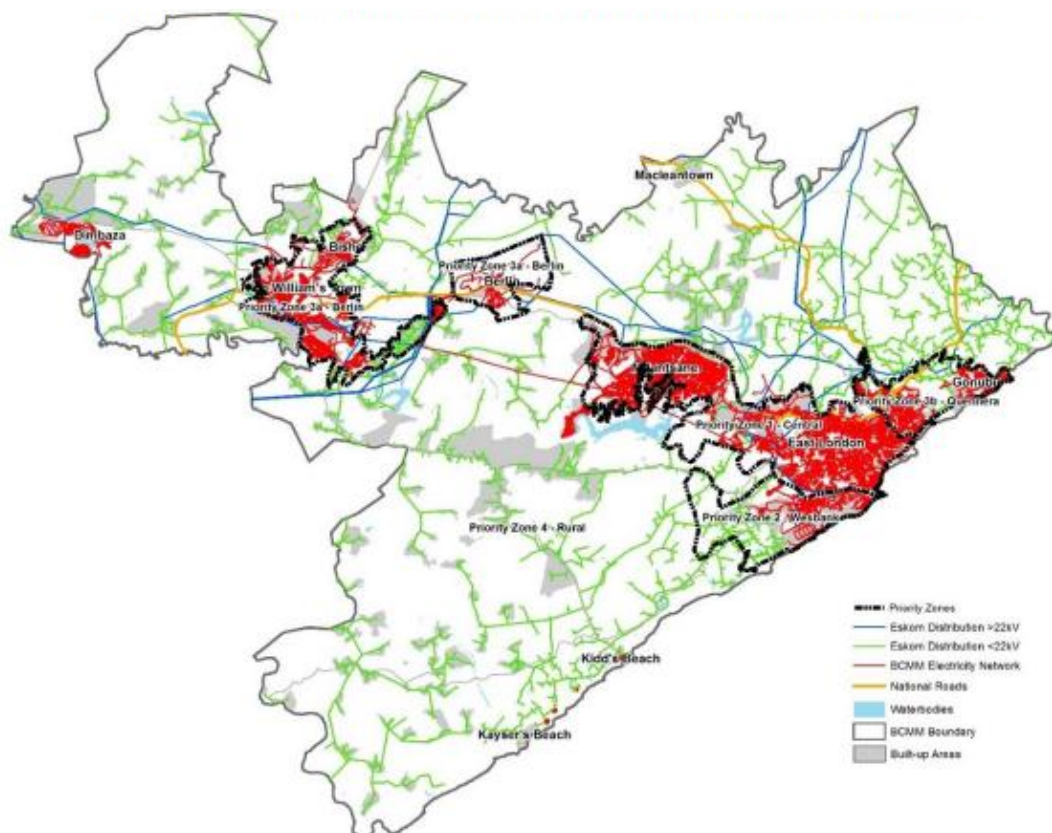


Figure B.12 : Electricity coverage in municipal area by Buffalo City and ESKOM

Revenue Protection

BCMM must ensure that revenue for all electricity used is collected and vandalism and theft of the network is curtailed. Illegal electricity connections have escalated at a dramatic rate as no significant legal action is taken against illegal electrical users. One of the strategized solutions that need to be implemented is the approved punitive electricity fines approach. This approach has already been approved by Council and mean that, electricity fines can be issued to illegal electricity users in much the same manner as a traffic speeding fine is currently issued. The revenue protection team work in close contact with the SAPS. The Revenue protection teams are conducting site visit to all legal consumers' premises to identify tampered and by-passed meters. So far over 20 000 premises have been visited.

Informal Electrification

The long term solution to illegal connections is to electrify all informal dwellings that meet the DoE's electrification guidelines. BCMM has over the past year has electrified 1009 informal dwellings, this is a small portion of the what is required to make the program affective in terms of reducing the losses, to BCMM's revenue. BCMM have over 49 000 informal dwellings within the electrical network most of which do not meet the DoE guideline or have been ear marked for de-densification or relocation.

Rural Supply by ESKOM

BCMM only provides electrical connections to settlement areas within the urban edge. Eskom is responsible for the provision of electrical connections outside of the urban edge. Eskom has a NERSA license to supply rural areas which fall outside the BCMM area of supply. As the Municipality does not have a service level agreement with Eskom, a number of issues arise, including;

- Different tariffs to communities within the same area
- Different service levels to communities within the same area. BCMM provide a supply of 40 amps , ESKOM Supply 20 amps or less
- It should also be noted that street lighting is provided to consumers supplied by the BCMM network as the electricity tariff allows for this service. As BCMM does not receive income from electricity sales from consumers within the ESKOM area of supply street lighting is not provided in these areas.

Through SALGA, municipalities are negotiating a distribution service level agreement with ESKOM as required by a number of ACTs which the municipality and ESKOM are required to adhere to.

The Queens Park Substation is a pivotal project for the electricity department as it will bring stability the electrical network that feeds into the city center as well as stabilize the supply to the west bank which is home to BCMM's major electrical customers. The substation has been located in a strategic position to alleviate overloading within the whole of the 132kV network. Queens Park Substation will not only stabilizes the electrical network within the CBD but open up the network to add additional loads for RDP houses as well as commercial and industrial consumers .



Challenges within the electrical sector

- Shortage of skilled labour
- Additional funding required to replace aging infrastructure, but it should be note that over the past 2 years BCMM have increased the capital funding for electricity capital project substantially.
- Additional specialized vehicles and plant
- Illegal electricity connections and the associated electrification roll out for in-formal houses needs to be addressed by National Government / National Treasury, as BCMM requires +R1 billion to address this and this is having a negative impact on service delivery. Backlog in refurbishment, up grading and re-newal of the electrical network
- R150 million invested into the capital replacement program
- Additional budget is required to, reduce the backlog and stabilise the electrical network
- Problems occur as ESKOM operate within BCMM's juristiction without a service level agreement as required by the Municipal Systems Act ,which leads to different service levels.

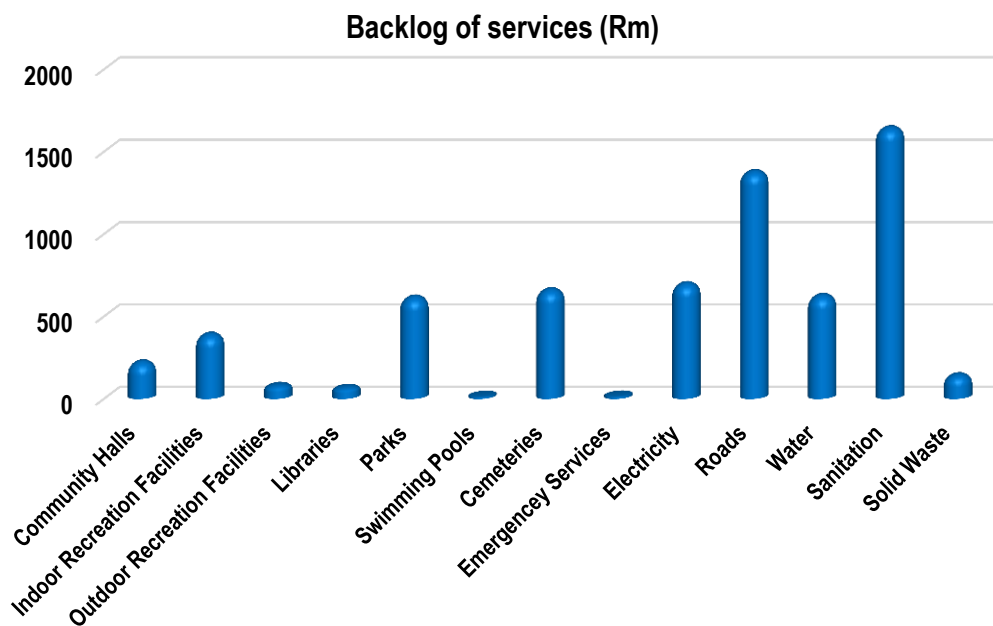


Figure B.14 : Summary of BCMM Services Backlog

The plan below provides a composite picture of capacity constraint areas for water, sanitation and electricity.

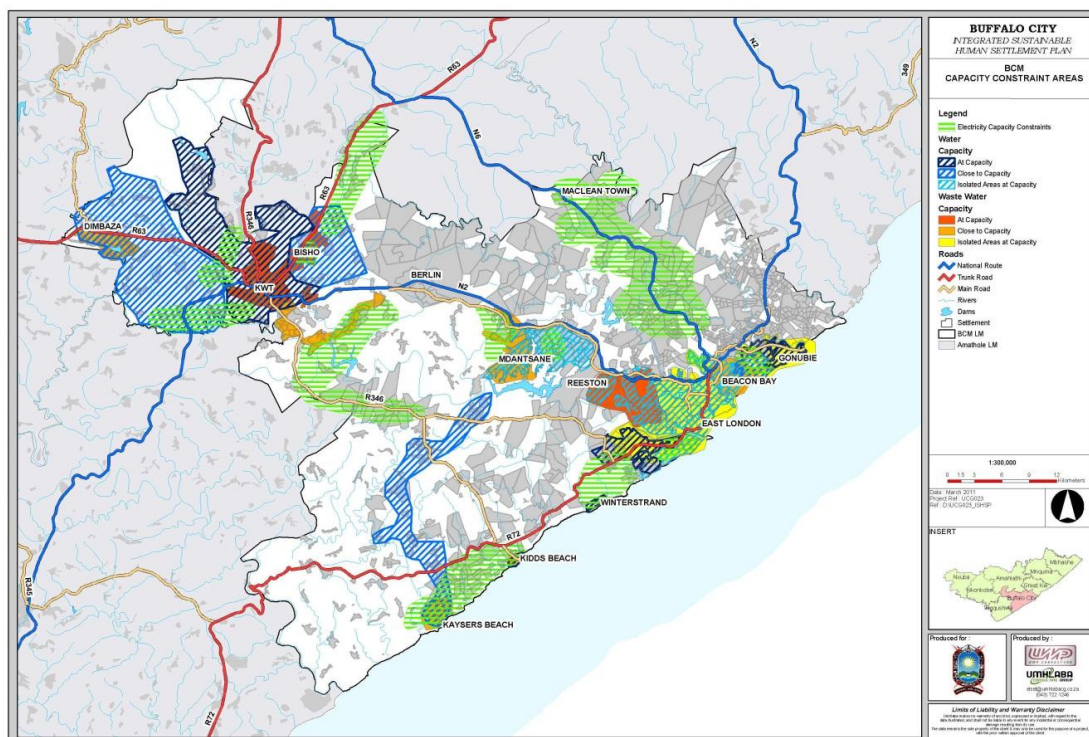


Figure B.15 : Broad Services Capacity constraint Areas in Buffalo City

B.3.1.6 Asset Condition And Maintenance Requirements

The existing infrastructure in BCMM has been overstretched and experienced frequent breakdowns, pollution and degradation of the natural environment as a result. Thus one of the biggest challenges facing BCMM is the need to maintain the existing infrastructure. There is a considerable backlog in terms of water, sanitation, roads and electricity infrastructure maintenance.

The depreciation of infrastructure assets is fully funded in order to ensure that funding is available for future infrastructure replacement and refurbishment. Buffalo City envisages releasing approximately R1billion of its own funding into replacement and refurbishment of existing infrastructure within the urban core in line with BCMM's Densification Programme.

However, there were challenges experienced in financing the entire depreciation for the 2014/2015 financial year only, as a result depreciation was decreased by R60m in order to achieve a funded budget. It is envisaged that this decision will be reviewed at the 2014/2015 mid-year adjustment stage. In the 2014/2015 MTREF period BCMM introduced a split of the Repairs and Maintenance for electricity to 40% capital and 60% repairs and maintenance of the 10% tariff charge.

BCMM has allocated R520,000,000 over the 2015–2018 MTREF period the replacement and refurbishment of existing infrastructure within the urban integration zone.

Service	Funding	2015 – 2018 Capital Budget
Bulk Sanitation – Replacing existing infrastructure	Own Funds	120,000,000
Bulk Water – Replacing existing infrastructure	Own Funds	120,000,000
Bulk Electricity Infrastructure Upgrade - Replacing existing infrastructure	Own Funds	120,000,000
Road maintenance and refurbishment	Own Funds	160,000,00
Total		R520,000,000

Table B.10 : Asset Management

BCMM is currently developing a long-term financial plan which also covers BCMMs ten-year Asset Programme looking at backlogs as well as maximising the return on investment on infrastructure assets. This will allow BCMM to moving from financial sustainable city to that of a resilient city.

A service provider has been appointed to assist with the Asset Management functions. An Asset Management structure has been included as part of the new approved organogram. It is envisaged that recruitment would occur over the next 3 years to adequately staff this function and allow for the transfer of skills from the service provider to the internal staff.

B.4 Residential Infrastructure Review

B.4.1 Land And Housing Analysis

The BCMM SDF Review 2013 has assessed the current estimated housing backlog in the urban components of the Buffalo City Municipality to be some 25,000 units, taking account of current planned and approved units numbering 32,000.

In addition, the SDF Review posited an estimated 20-year growth of around 17,000 households requiring accommodation, leaving a total 20-year housing development need of around 42,000 dwellings. The addressing of this need over time is a major challenge, and the appropriate programming and location of major public-funded housing projects will be a major element in the restructuring of the built environment in Buffalo City.

Trends in housing demand

The 2011 Census reports an average household size of 3,2 persons in Buffalo City. This average household size has decreased from 4,2 in 1996 and 3,6 in 2001. In terms of this statistic, there were an estimated 236,000 households in Buffalo City in 2011. The population distribution by house type in BCMM is illustrated in the attached Figure B.16.

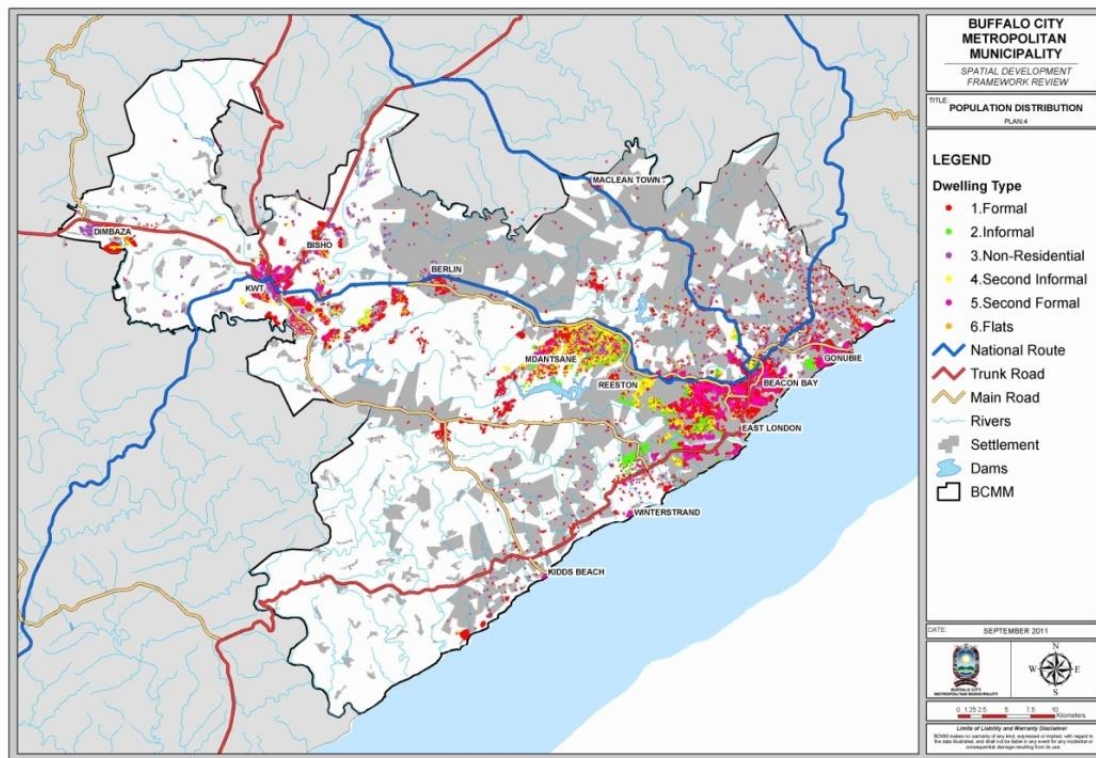


Figure B.16 : Population Distribution by Housing Type in Buffalo City

Housing Supply

The current housing supply is given in the table and illustrated in Figure B.8:

CURRENT HOUSING SUPPLY IN BCMM (SOURCE: BCM POPULATION STUDY, 2010)							
Zone	Flats	Formal	Second Formal (Granny Flats)	Traditional Urban	Total Urban	Total Rural	Total
1 Tyolomnqa	0	0	0	0	0	9,400	9,400
2 Ncera/ RA32 /Umtiza	0	1,731	101	0	1,832	10,398	12,230
3 Greater East London	649	44,119	5,859	0	50,627	248	50,875
4 Rural North/ North-East	0	1,807	70	0	1,877	985	2,862
5 Newlands	0	151	0	0	151	7,387	7,538
6 Mdantsane-Potsdam	0	29,664	2,186	8,800	40,650	731	41,381
7 Berlin/ Amandlambe	0	962	0	LAND URBAN	971	8,657	9,628
8 Yellow-woods /KWT Rural	0	19	10	55	84	3,244	3,328

CURRENT HOUSING SUPPLY IN BCMM (SOURCE: BCM POPULATION STUDY, 2010)							
Zone	Flats	Formal	Second Formal	Traditional Urban	Total Urban	Total Rural	Total
9 Greater KWT	1	18,316	3,784	6,063	28,164	1,131	29,295
10 Dimbaza /Pirie	0	6,569	18	1,793	8,380	18,964	27,344
BCMM	650	103,338	12,028	16,721	132,737	61,145	193,882

Table B.11 : BCMM Housing supply by type and location

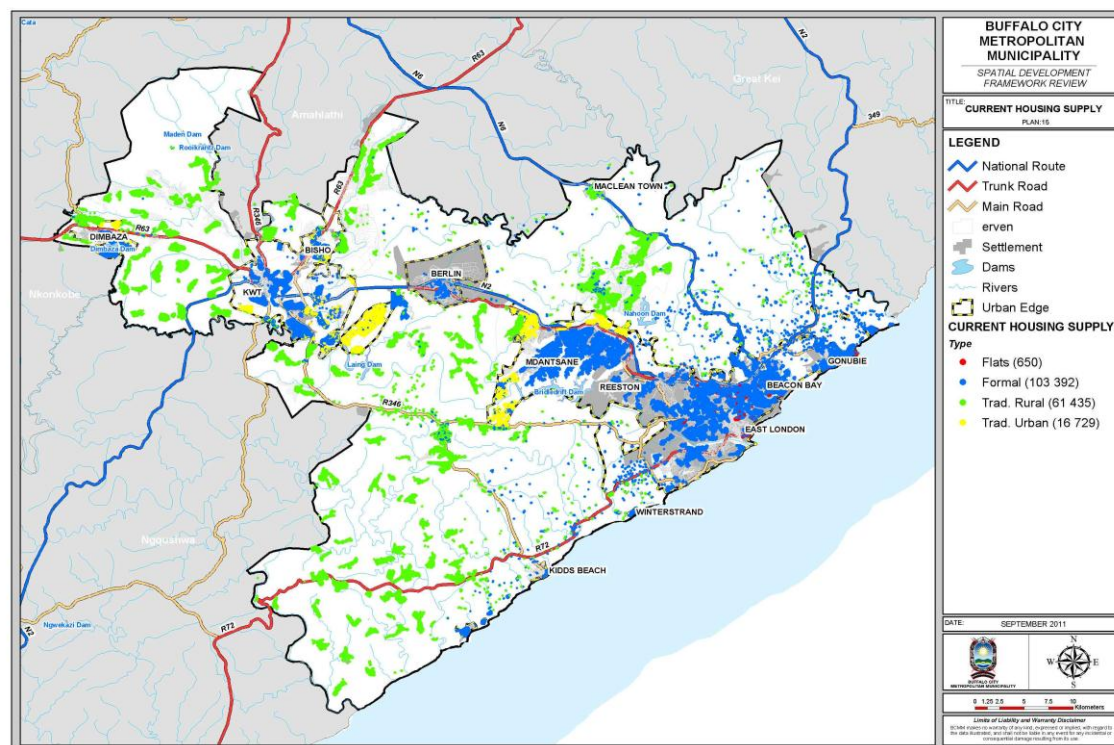


Figure B.17 : Distribution of Housing Type in Buffalo City

Current Housing Need

The estimated 20-year housing need is 42,000 homes (including an immediate backlog of around 25,000 units). According to the Spatial Development Framework 2013, there are planned sites, planned projects and projects underway involving 30,000 erven, which may be deemed to form part of the current backlog in so far as these units have not been completed and delivered to beneficiaries..

There are an estimated 50,386 informal dwellings in Buffalo city, of which around 15,000 are identified as backyard shacks. In the prime areas of demand (i.e. spatially, those areas in and around Mtantsane and close to central East London), between 20% and 25% of informal settlement dwellers are seeking access to rental accommodation. This has implications for the declaration of another round of Restructuring Zones and social housing provision in the city.

Private funded development in the identified development areas to the east and west of the city have budget implications but are vital areas for city revenue. It is imperative that BCMM adopt a coherent Development Levy Policy for private funded greenfield developments so that developers share with council the cost of services but in such a manner as to not discourage rateable income.

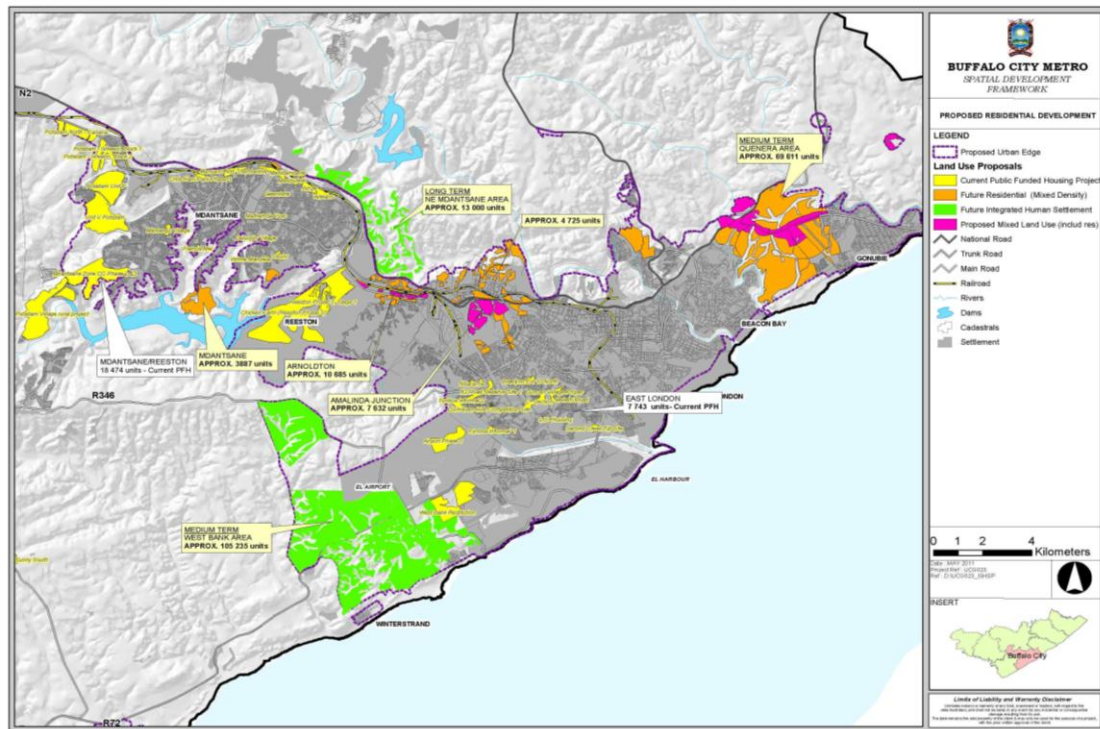


Figure B.18 : Residential proposals Coastal areas as per the SDF 2013

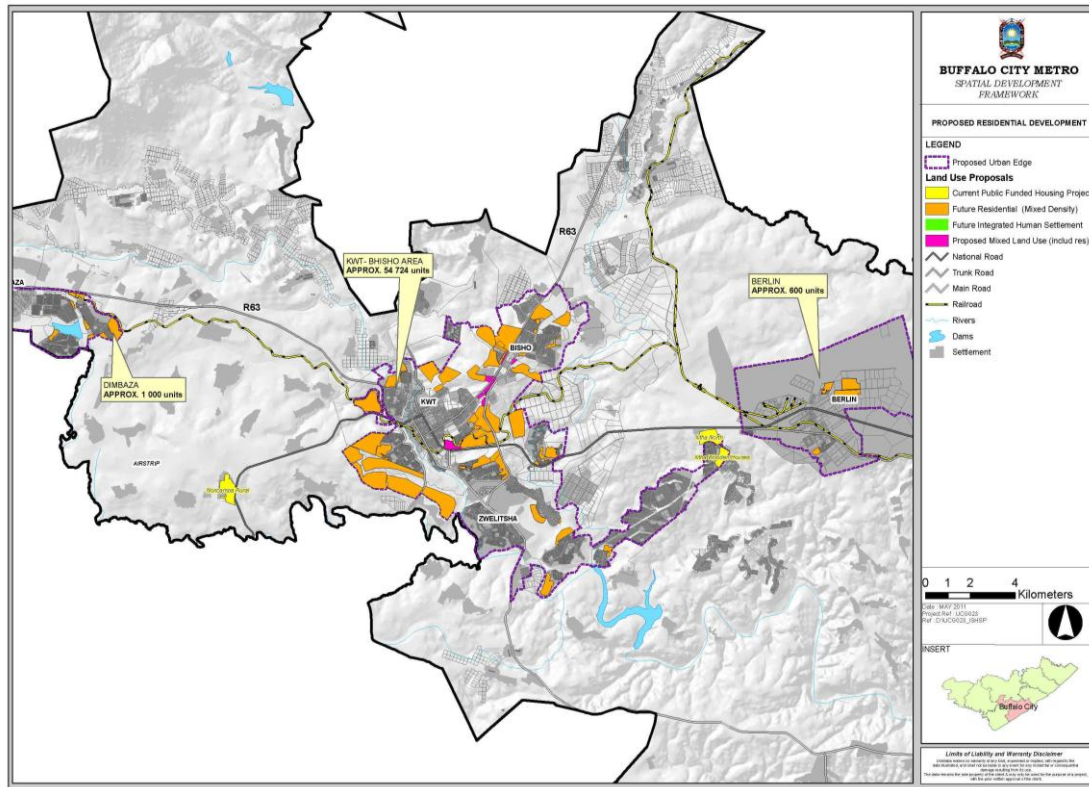


Figure B.19 : Residential proposals KWT & Bhisho areas as per the SDF 2013

The estimated capital development costs provided are influenced by the characteristics of the location of the development. These characteristics included factors such as slope and soil conditions. A weighted capital development cost premium index has been developed to inform decisions on the optimum location development and the costs associated with such development.

Development Status	Inside Urban Edge		Outside Urban Edge		Total	%
	Ha	%	Ha	%	Ha	%
Can be developed - no constraints	968	2	4 815	2	5 783	2%
Developable but at cost premium	15 558	38	171 195	80	186 753	73%
Already developed	22 426	55	21 154	8	43 580	17%
Undevelopable	2 143	5	16 782	10	18 925	7%
Total	41 095	100	213 946	100	255 041	100%

Table B.12 : Development cost premium index

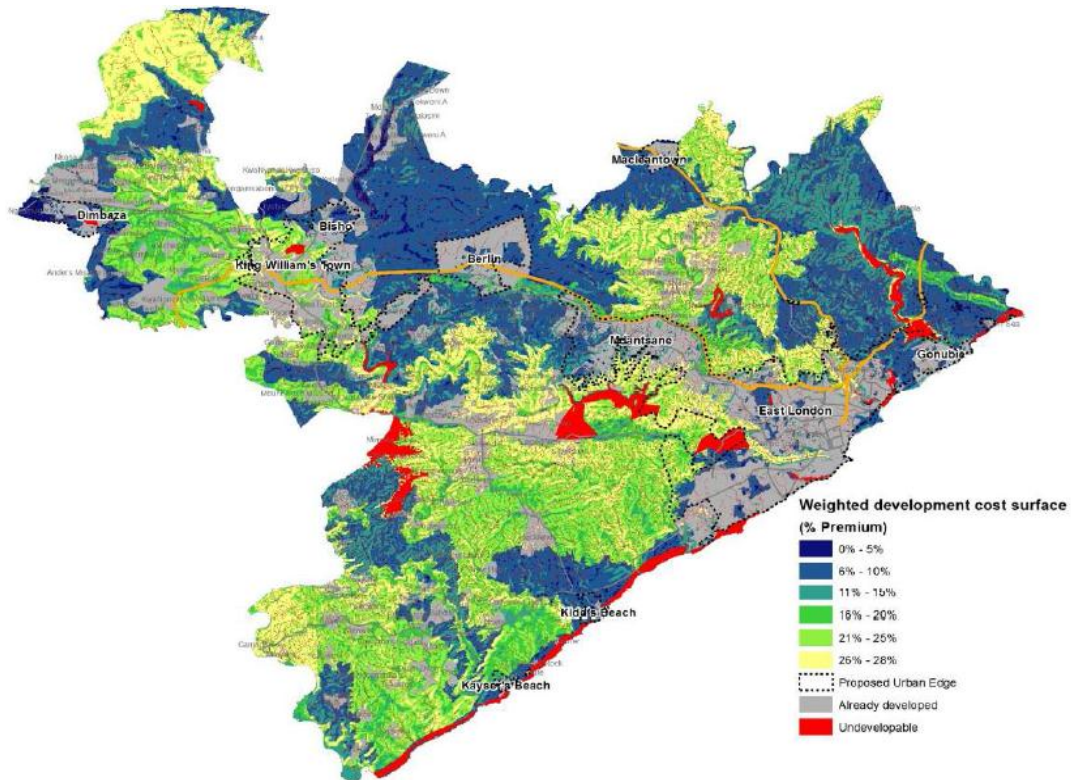


Figure B.20 : Weighted development cost surface

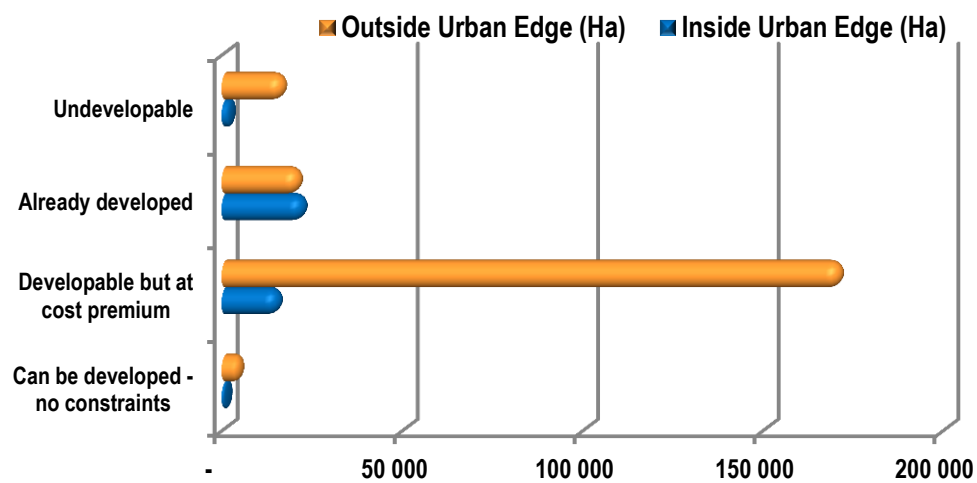


Figure B.21 : Developable land Inside and Outside Urban Edge

Priority Area	Inside Urban Edge (Ha)	Outside Urban Edge (Ha)	Already Developed (Ha)	Undevelopable (Ha)	Grand Total (Ha)
Central	120	6 354	8 828	875	16 177
West Bank	115	2 143	3 755	399	6 412
Berlin	146	4 149	6 639	376	11 310
Quenera	167	1 899	1 789	387	4 242
Rural	5 236	172 207	22 568	16 888	216 899
Total	5 784	186 752	43 579	18 925	255 040

Table B.13 : Developable and Undevelopable Land

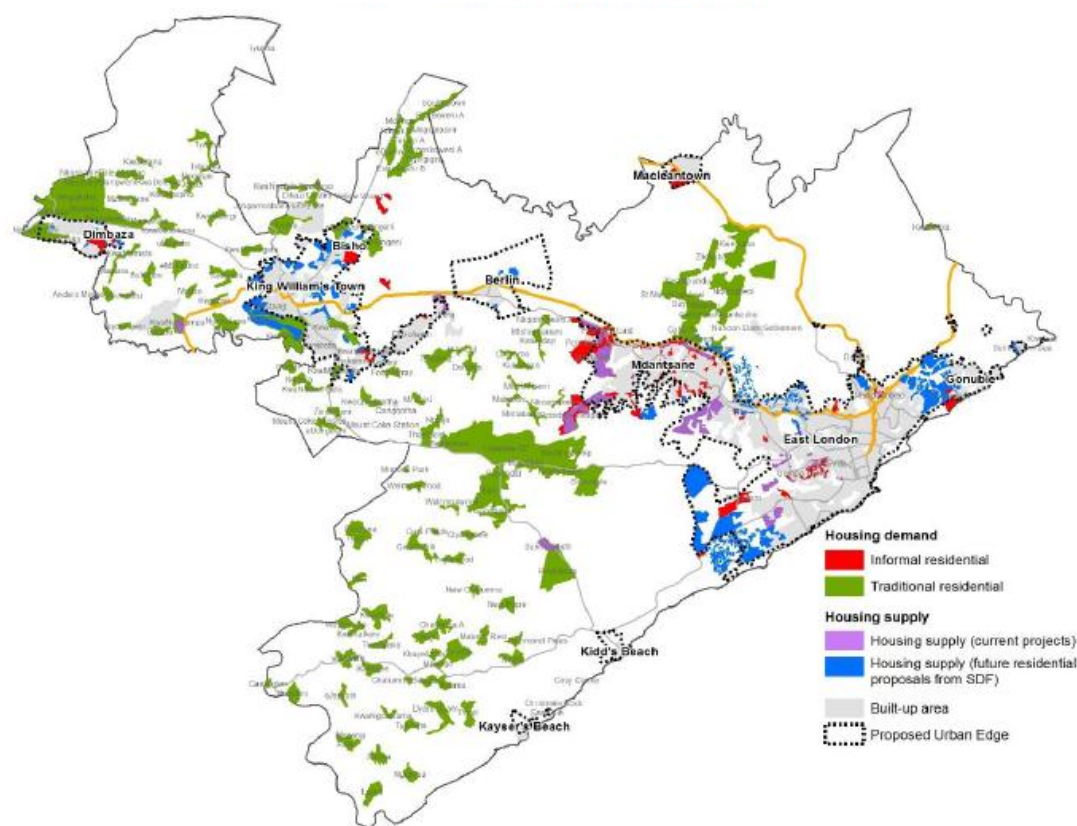


Figure B.22 : Housing Demand and Supply

Large Scale Initiatives

Duncan Village LSDF (2009) – Duncan Village contains the densest informal settlement in BCMM. City Planning started in 2004 to discuss with the community the concept of denser mixed use living patterns in order to accommodate as many people within this inner city locality. Breaking New Ground subsequently echoed this concept and adopted Duncan Village as a brownfields pilot project and provided further funding support.

Implementation of this project has been slow but the first high density housing pilot project undertaken to demonstrate what denser formal living in Duncan Village could be like are underway. The pilot housing erven are 80m² which represents a significant departure from the standard 200-300m² product previously on offer and the construction phase is complete.

The National Minister of Human settlements identified the need for strategic and integrated planning and the identification of Mega Projects located in priority areas. The Duncan Village Redevelopment Project has been identified as meeting the requirements of a mega project in the metro.

The **Mdantsane infill / insitu upgrading plan of 2009** is the Metro's planning response to the challenge of growing informal settlement in a way that retains communities where they are presently living.

Quenera LSDF (2005) and Rockcliff Framework Plan (2009): Largely privately owned and mostly greenfields areas each with a potential for 30,000 high density units.

BCMM's Bus Rapid Transit Plan of 2009 endeavours to minimize travel times between places of residence and places of employment for local residents and is a planning response to the historic sprawling dormitory townships and marginalisation of residents. The implementation of the 1st Phase BRT system could be catalytic in demand for densification and development in the Mdantsane to East London corridor.

Amalinda Junction Feasibility Study (2011) - Mixed land use proposals (with high density housing and job creation opportunities in the inner city situated on the EL- Mdantsane KWT Rail Corridor.)

Arnoldton Nodal Framework Plan (2011) - Mixed land use proposals (with High Density Housing and job creation opportunities) on the EL Mdantsane Rail /Road corridor centred on the Arnoldton Station between the Reeston Housing project and Arnoldton.

The default situation where the city has been unable to provide serviced land for middle income housing has resulted that market forces have effectively driven densification in the urban core.

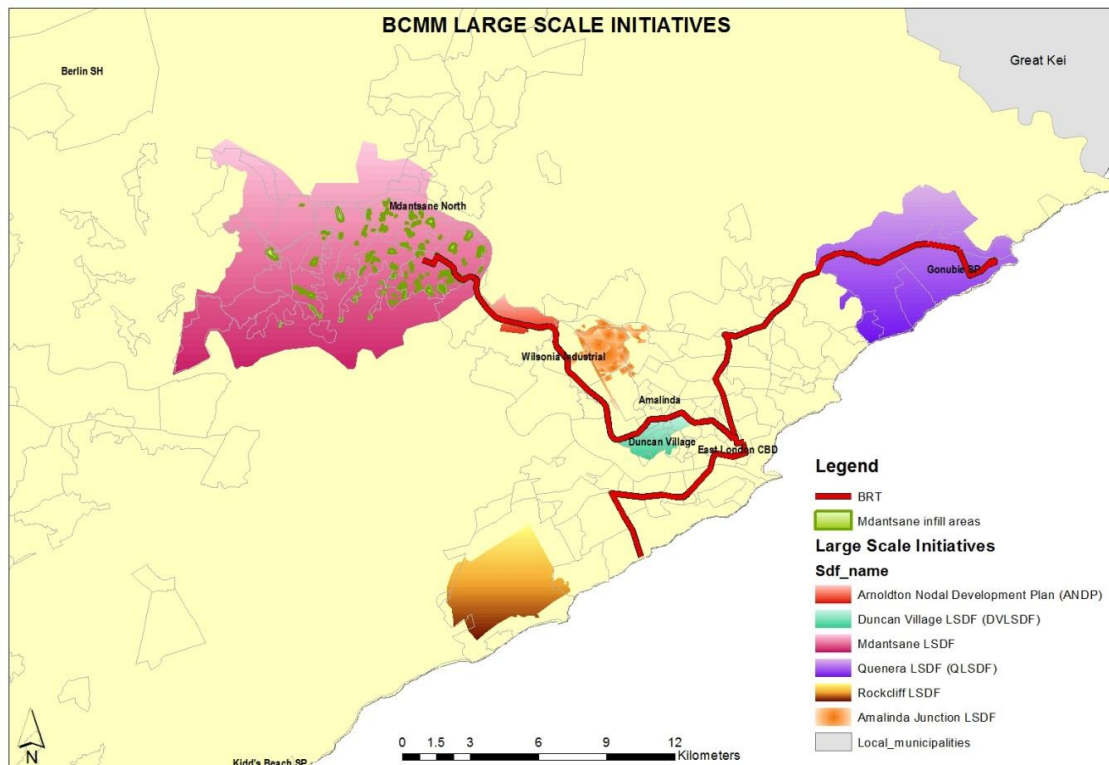


Figure B.23 : Large Scale Initiative in Buffalo City

Rental Housing Stock

The trend for rental stock is not limited to the traditional suburbs but is clearly evident in centrally located areas such as Duncan Village and more recently Nompumelelo outside of Beacon Bay. Many, if not the majority, of informal dwellings in Duncan Village are rented out by “shack lords” who provide a vital service to those who wish only to live in Duncan Village during the working week but who take their meagre earnings home to the rural areas where their parents and children live. This trend has implications for any housing demand calculation taken at face value.

Social Housing

Social housing units have been developed in recent years in the urban core only and appear to be meeting the growing demand for affordable rental units. Four Section 21 Social Housing Institutions and one co-operative housing movement in Buffalo City have collectively been instrumental in developing approximately 5 262 dwelling units up to February 2011, in various parts of the city.

A further 850 units were completed in late-2013. These units range from single detached dwelling units to three storey walk up flats; and a high rise block of flats. The institutions manage the accommodation and offer a range of tenure options, from rent to rent, rent to buy and deferred sale.

2014 Approval for Social Housing Projects

Project	Location	Number of Units
Calypso Hieghts	Amalinda	601
Ocean View	West Bank	603
TOTAL		1204

The following areas have been gazetted as social housing restructuring zones:

- East London Inner City comprising of Duncan Village, Chiselhurst, Belgravia, Southernwood, CBD, Sleeper Site and Quigney
- Arnoldton / Reeston
- Summerpride
- West Bank

In a submission that was made in 2006, the following areas were also requested to be included as social housing restructuring zones, but they were not approved.

- The King Williams Town CBD and adjacent areas
- Mount Ruth and Mdantsane
- Amalinda

A further submission was made on 9 January 2013 for the areas that were not previously approved, to be approved. This was sent to the Eastern Cape Provincial Department of Human Settlement for approval.

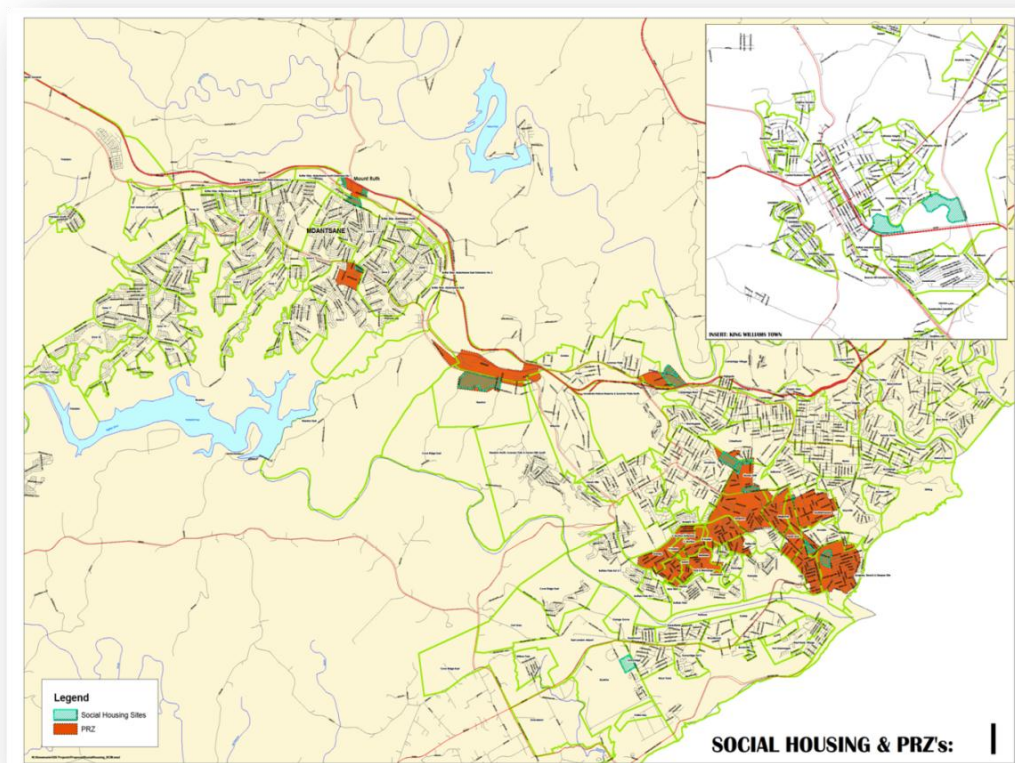


Figure B.24 : Social Housing Areas and PRZ's

Informal Settlement Upgrade Programme

The findings of the Informal Settlement Study undertaken mainly in 2010 – 2011 are illustrated in the attached Figure B.25 and can be summarised as follows :

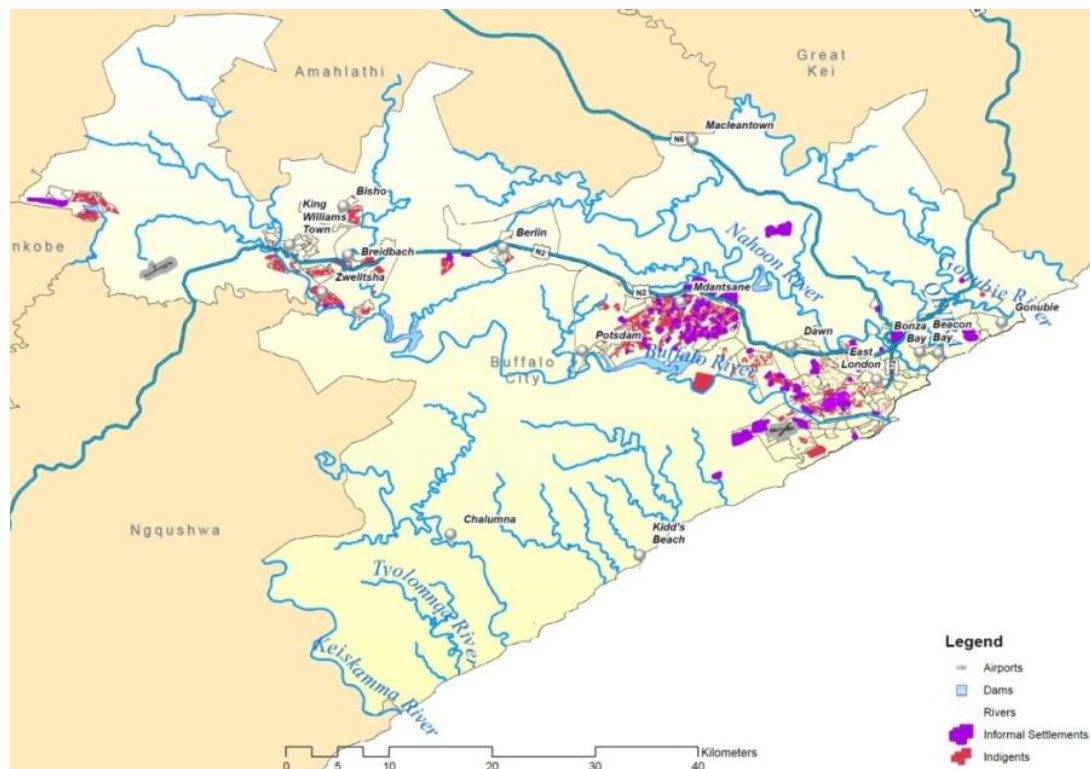
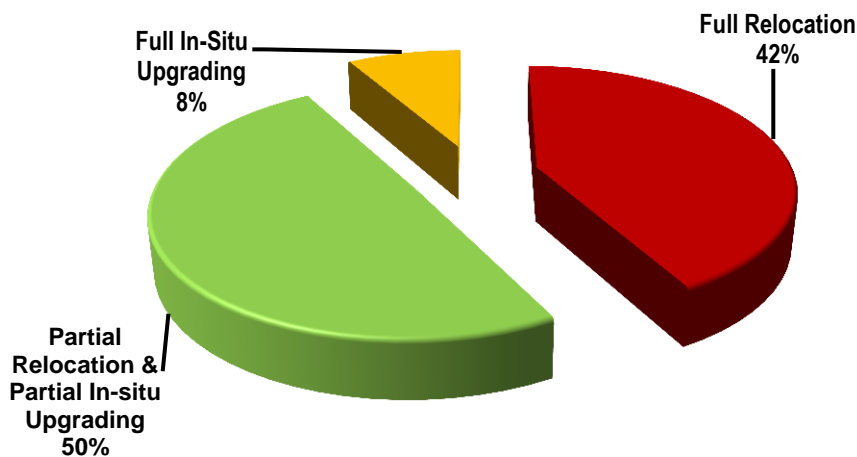


Figure B.25 : Distribution of Informal Settlements in Buffalo City

Baseline Data from Informal Settlements Study

- The city has an estimated total total 154 informal settlements consisting of approximately 40,365 shacks (households) with a population of some 152,000 people that need to be formalized. This excludes backyard shacks.
 - Some of these settlements are subject to upgrading initiatives in terms of the Duncan Village Redevelopment Initiative.
- In addition,
 - 41 Settlements have been identified for FULL RELOCATION, as a high, medium and low priority = ±12,982 informal structures
 - 58 Settlements have been identified for PARTIAL RELOCATION & PARTIAL IN-SITU UPGRADING = ±15,285 informal structures
 - 39 Settlements have been identified for FULL IN-SITU UPGRADING = ± 2,592 informal structures



• Introduction and Background

Informal settlements are often located on marginal land subject to environmental degradation and hazard and often within floodplains. The unplanned nature, poor design and incremental growth of informal settlements complicates conventional service provision. Residents often lack basic educational qualifications, and are typically dislocated from the surrounding labour market. Informal enterprises operated by residents are often criminalized by municipal by-laws and other restrictions.

Residents have a higher risk of disease and mortality due to household poverty and their negative living environment. Access to social amenities such as schools, clinics, welfare offices and other community facilities is limited. Public open space is either entirely lacking, or is unsafe and insufficient for community needs. The visible disparity between informal settlements and surrounding areas gives rise to social tensions and fuels crime. The above mentioned factors coalesce to create situations of extreme poverty and social and economic deprivation.

Because of the constraints in rolling out conventional housing, the reality is that the majority of informal settlements have still not received significant development attention whether in the form of full upgrading, relocation to green-fields housing projects, or the provision of significant interim interventions to mitigate living conditions. In real terms, the residents in such settlements thus remain substantially outside of new South African democracy because in many respects they continue to receive limited tangible benefits from government programmes and policies.

The causes for discontent are therefore not only about lack of housing and service provision, but also in respect of a strong perception by residents of informal settlements that the state does not care about their predicament and that they are somehow inferior and ineligible due to their 'informal' or 'shack' status. Unfortunately, most migrants find themselves unemployed, living in one of the many hundreds of informal settlements on the periphery of these large metros, effectively marginalized from both access to economic opportunity, as well as housing and services. The rapid growth of informal settlements

Against this backdrop, there is now a growing realisation that the provision of emergency relief and interim basic services for informal settlements in Buffalo City Metropolitan Municipality is a necessary and appropriate response that needs to be rolled out and up-scaled as soon as

possible. BCMM in conjunction with the National Department of Human Settlements has selected 32 priority informal settlements to benefit from the upgrading plans to be developed.

• **Policy shifts with regards to Informal Settlement Upgrading**

Informal settlements are all different and generalizations cannot be made about them. However, one constant factor in their formation is that they typically provide an initial point of access into the urban environment for incoming migrants, or for those moving from other parts of the city. Earlier research in Buffalo City Metro shows that there were high levels of circular migration between a distinct band of rural areas and the Metro itself as well as movement between more established residential areas and those informal settlements which are located close to work opportunities.

One of the distinct features about living in an informal settlement is that they afford access at a very low financial cost and the barriers to entry are low. The nature of this access can be further unpacked into a number of elements such as:

- Access to employment and other economic / livelihood opportunities (which are often modest or survivalist in nature);
- Access to social facilities (e.g.: education and health care);
- Access to the political system (access to ward councillors and the space to vote and lobby);
- Access to the legal system (or improved access to it);
- Potential access to housing and infrastructure (e.g. through waiting lists for housing projects or through rudimentary / illegal services and connections available).

Informal settlements thus serve a critical function as 'holding places' where people can access the urban environment at extremely low financial cost and piece together various livelihood strategies there. Some might remain permanently and even ultimately gain access to formal housing, whilst others might reside temporarily for specific purposes which, once fulfilled, result in them moving elsewhere in the city or returning from whence they came.

This does not mean that all informal settlements are well located, but in many cases they are, and where they are not, they typically still afford better access opportunity than the next best option (e.g. continuing to remain at a traditional rural homestead or at a more peripheral location on an urban boundary).

Advantages typically afforded by informal settlements for the residents themselves:

- Provides access to the city (economic opportunities, social amenities etc.) at unrivalled low cost and a low barrier to entry
- Represents to a significant extent, people's choice about where they want to live

Challenges presented by informal settlements for the residents themselves:

- Poor sanitation, water supply and internal vehicular access
- Fire and health risks
- Poor top-structures / building materials
- Often poorly serviced with social facilities such as clinics and schools (not always)
- Full title is not available (although it can be

<p>(subject to a range of constraints)</p> <ul style="list-style-type: none"> • Affords some security of tenure through informal contractual arrangements • Where proof of residency can be provided (e.g. letter from councillor) – can induce employers to hire. 	<p>argued that this is not necessarily a disadvantage and is in fact part and parcel of the informality and flexibility which characterise informal settlements and enables them to function)</p> <ul style="list-style-type: none"> • Lack of full title means that the property asset cannot be used as collateral for raising bond and other finance.
<p>Advantages for non-residents and the state:</p> <ul style="list-style-type: none"> • Requires limited public administration – largely self-regulated • Low cost accommodation provided for a labour pool (e.g. for retail, industry, private homes etc.). 	<p>Challenges for non-residents and the state:</p> <ul style="list-style-type: none"> • Unsightly (mainly in the eyes of the privileged) • May create the impression that the state is not 'delivering' • May represent a leftist power base in opposition to the state should the state continue to be unable to provide meaningful development relief • May adversely affect property values in neighbouring areas, plus other concerns/ perceptions like health, water pollution and crime. • Perceptions of negative impacts on tourism

Source: Misselhorn (2008)

The Municipal response to upgrading projects tended to be interpreted as either the provision of rudimentary services, such as communal stand pipes, sanitation, storm-water drainage and roads or contractor driven green-fields development projects which were perceived as easier to manage and more cost effective, as they had definitive project parameters and could utilize the housing subsidy to finance the provision of services, tenure and top-structures.

One of the most fundamental realizations in recent years are that the housing subsidy scheme, could not respond to the demand rapidly enough and more seriously, was not addressing the development needs of the poorest urban families. The consequence was that informal settlements would continue to be a significant aspect of the urban landscape especially for those excluded from the housing subsidy scheme or on waiting lists. In addition housing was not resulting in integrated sustainable development, as it had not been complemented with other services which allowed for the development of integrated communities. Also problematic was the reality that many people in informal settlements did not qualify for the housing subsidy, a prerequisite for upgrading through a 'roll-over' or green-fields type development that emphasized the provision of individual title and top-structures.

Implicit in the National Housing Code is the call for a phased in in-situ upgrading approach, which is more likely to achieve social inclusion than large scale relocations to green-fields developments, as in-situ upgrading presents a greater opportunity to protect existing social and economic networks by allowing households to remain on site, and overtime incrementally upgrade the settlement.

The policy also provides funding for alternative land tenure options, which do not exclude those who do not qualify for a housing subsidy and may include a community based or area based subsidy to purchase the land. Layout options for the settlement can also be tailored, as



opposed to standardized layout models which are highly inflexible and do not account for already negotiated informal settlement layouts. Funding has also been made available through the programme to support the financing of community participation and empowerment processes – something which the housing subsidy programmes do not account for. In the case where permanent services cannot be provided immediately, interim engineering services would be introduced.

The Outcome 8 delivery agreements provided another decisive policy shift towards informal settlement upgrading. Output 1 dealing with the delivery of housing opportunities stated as its goal to achieve the upgrading of 400 000 households in well located informal settlements with access to basic services and secure tenure.

• **Approach to Informal Settlement Upgrading**

In recent years, prevailing strategies for addressing informal settlements have shifted away from large-scale relocation, which have been known to cause massive social disruptions. The approach favoured today is on-site upgrading and improvement, with the goal of integrating low-income communities into their large urban contexts. Improving informal settlements has the advantage of leaving intact the economic and social networks that residents have created for themselves. There is, however, no clear set of best practice for these upgrades, which range from small minor projects to expansive infrastructural improvements.

According to the SACN/Cities Alliance (2002), the upgrading of informal settlements typically requires a range of interventions structured across physical, economic, social and institutional spheres. The breadth of interventions is an acknowledgement of the complex array of factors underpinning urban poverty.

- The physical complexity of upgrading activities often necessitates the development of planning frameworks. These provide a guide for interventions and address connectivity considerations essential to the development of sustainable human settlements.
- The hazardous physical environment of informal settlements often requires the preparation of environmental assessments and environmental management frameworks. These should be integrated into overall planning framework to provide a basis for future mitigation activities. The effectiveness of these mitigation measures should be measured over time through the establishment of environmental monitoring mechanisms.
- High level planning frameworks may be telescoped down into precinct or nodal plans.
- Security of tenure decreases the vulnerability of the poor, provides huge citizenship gains and is often a precondition for the mobilization of private resources. Many upgrading projects focus on the legislation and regularisation of properties in situations of insecure or unclear tenure.
- Improving basic engineering infrastructure has a significant impact on the quality of life of residents, and brings about important socio-attitudinal changes, improving the image of areas and integrating them into the social and political economy. Engineering interventions typically entail the provision or upgrading of basic municipal services, including clean water



supply, adequate sewage, improvements to streets, footpaths and storm water drainage, enhanced solid waste management, street lighting and electricity to homes. Many projects seek to improve the accessibility of informal settlements and the mobility of residents through the construction of link roads and bridges, and by enhancing public transportation infrastructure.

- Housing projects have been a particularly visible feature of upgrading projects in South Africa. In some cases, informal settlements have been relocated to site and service schemes situated on the periphery of cities. (SACN, undated publication).

• NUSP Programme in BCMM

The rate of **formalization** to produce housing units is complex, slow, capital intensive and cannot keep up with demand. Up until quite recently, formalization was the only recognised route to follow in improving the living conditions of those living in informal settlements.

The new approach of **Regularization** recognizes that informal settlements need assistance while waiting for formalization (which currently cannot keep up with demand) through actions including:

- Ensuring healthier living conditions by providing basic services (standpipes, VIP toilets, grey water treatment, stormwater control, electricity or alternative energy supply) to the informal settlement to ensure basic sanitary conditions and improvement in quality of life.
- Ensuring safety through providing proper access especially for emergency vehicles.
- Ensuring some form of tenure starting with a statement that no one, whether they qualify for a housing subsidy or not, will be removed (if the settlement is not earmarked for relocation).
- Acknowledging all people as citizens as a contribution towards human dignity by providing an official residential address for each shack.
- Ensuring a continuous level of service delivery by means of urban management.

In 2013, the National Department of Human Settlements initiated the NUSP programme in BCMM as a Participatory Based Planning Support to Informal Settlement Upgrading Projects in Buffalo City Municipality. The support targets the in-situ upgrade of 32 informal settlements, as follows: -

Settlement	No. Structures	Settlement	No. Structures
Amalinda Forest	1184	Mdantsane – Lonwabo	31
Andrew Mlangeni	89	Mdantsane – Mahlangu	214
Barcelona	37	Mdantsane – Mbekweni	53
Bhisho-Tyutyu	465	Mdantsane – Dacawa	253
Cambridge Location	1341	Mdantsane – Daluxolo 1	111
Dimbaza South ext 3-Phola Park	35	Mdantsane – Khaylethu	150
Duncan Village – New Rest	35	Mdantsane - Mark Makalima	40



Eluxolweni	185	Mdantsane – Masibambane	35
Holomisa	250	Mdantsane – Nkomponi	172
Reeston – Jevon	701	Mdantsane – Phola Park	150
Zwelitsha – Ndlovini / Crossroads	120	Mdantsane – Slovo Park	280
Scenery Park - Airport	39	Mdantsane – Stofile Village	75
Scenery Park – Eskom	79	Mdantsane – Winnie	164
Scenery Park – Ekuphumleni	98	Mdantsane – Zola Park 1,2 and 3	97
Scenery Park – Manto	96		
Scenery Park – Phola Park	209		
TOTAL			6 974

Table B.14 : 32 NUSP Settlements in BCMM

The approach for the NUSP Programme followed an Asset Based Community Development (ABCD) approach where whereby the community identifies its own assets and resources that can be built on. Communities then developed their own plans, in a facilitated manner, and used these plans to see what they can do with their own resources, gearing in and leveraging state and other resources to build on this. Local resources and assets include social assets like leadership structures, and social networks as well as physical assets, like land and buildings, as well as economic and human resource assets.

This contrasts with the 'needs based' approach to development, that has been used predominantly in the past, where communities are asked to identify their needs. The three principles that underpin the upgrading approach adopted are:

i. Incremental development:

- Any upgrading process need to be conducted in a phased and incremental manner. This involves identifying immediate actions that can be taken to address:
- The immediate needs of communities (like the provision of interim basic services, and the provision of some form of basic tenure recognition through, for example, the issuing of occupation certificates); as well as
- Interim arrangements, like the re-blocking of plots and the provision of internal water and sanitation, to
- Longer term interventions like the upgrading of top structures through, for example the Peoples Housing Process Programme.

ii. Community participation:

The community will be given a chance to participate in the whole upgrading cycle from participating in collecting and analysing the data that will be used to inform decisions, influencing the content of the plans that will be developed, to monitoring the



implementation of the plans and evaluating the success of these plans. BCMM will work with existing community structures and groups and support and build their capacity to be able to make informed decisions, and engage constructively with other role players.

iii. **Partnership approach:**

BCMM will encourage a partnership approach between all role-players, especially between the community and the municipality, in planning for and implementing the informal settlement upgrading process. We also support partnerships (or integration) between various government departments (both within the municipality and within different spheres of government) and entities, like the departments of planning, engineering, land management, local economic development, disaster management, social development, etc.

The Upgrading of Informal Settlements is a multi- pronged approach, BCMM is approaching the upgrading process from the following perspectives:

- **Layout planning:** This looks at issues relating to plot sizes, orientation of plots and housing, road and pedestrian path alignment, connection to surrounding settlements, availability of community, social and economic infrastructure. Issues relating to possibility of relocation will also be addressed.
- **Engineering services:** This looks at issues relating to provision of water, sanitation (toilets), roads, storm water, electricity, communication, refuse removal, etc. It unpacks the level of service that can be provided (e.g. communal standpipes vs water per plot), as well as the phasing of the installation of these services over time (eg. in first year provision of communal standpipe and in year three upgrading to water per plot). It also starts to bring a costing element into the discussion with the need for prioritisation within a resource scarce environment.
- **Allocation and tenure:** this looks at issues relating to what criteria will be used to determine who gets what plots and what procedures will be followed to make these allocation decisions. It also looks at how the land will be held and what rights and responsibilities households will have, in relation to the municipality and other role-players in relation to this land. It is recognised that these rights and responsibilities can change over time as tenure relationships are modified (upgraded) over time. This relates to interim tenure arrangements on a continuum from no tenure security to potentially full individual title. The management of changes in plot occupation over time , the management of land use changes (e.g. using houses for shops), and the management of the type of structures that can be built (looking at appropriate building plan and construction regulations)
- **Organisational development:** Organisational development looks at issues relating to: (i) on the community side, building capacity of community structures to

represent and be accountable to their constituencies, and (ii) on the government side, the councillors relating to the community and officials and officials having the necessary capacity to manage upgrading processes. It also looks at the institutional structures that will be needed at various stages of the development process, and the role and responsibility of various role-players at various stages and how they relate to and are coordinated amongst each other.

- **NUSP Programme Outputs**

- i. **BCMM informal settlement upgrading policy and strategy**

- ii. **Upgrading plans for 32 informal settlements**

- Implementation plan: Outlines the steps that followed to conduct the participatory informal settlement upgrading process.
- Technical status quo report: Outlines the existing engineering, planning, geotechnical, land ownership, etc. context of each informal settlement
- Socio economic survey report: Summarises the existing socio economic context of each settlement drawing on sample survey and community consultation
- Upgrading plan for 32 informal settlements and 2 green-field settlements that is broken into four broad sub sections:
- Spatial layout plan: Shows how the plots and roads can be laid out in the settlement in future.
- Engineering services Implementation programme and budget: that summarises the phasing of implementation over time a) proposed level of services per phase b) phasing of implementation.
- Tenure management plan: Summarises what tenure will be provided over time and how tenure will be managed
- Institutional management plan: Outlines the institutions that will be involved in the upgrading and how they will relate to each other.

Summary of findings from the 32 NUSP supported informal settlements.

Settlement	Roads, Footpaths & Stormwater	Sanitation	Water	Solid Waste	Electrification	Pedestrian Bridge	Conservancy Tank	Community Hall	Play Area	Total
Mbekweni	442,331	71,907	92,577	15,000	477,000	—	—	—	—	1,098,816
Scenery Park – Airport	159 730	42 434	41 434	15 000	351 000	—	—	—	—	609 598



Amalinda Forest	6,114,834	2,824,822	1,022,464	105,000	10,656,000	—	—	750,000	200,000	21,673,120
Andrew Mlangeni	344,855	247,821	58,980	15,000	801,000	—	—	—	100,000	1,567,657
Barcelona	204,783	177,574	51,780	15,000	333,000	—	—	—	—	782,137
Dacawa	1,662,475	428,352	217,095	15,000	2,277,000	—	—	—	—	4,599,923
Eskom	270,313	520,138	269,568	45,000	711,000	—	—	—	100,000	1,916,020
Gesini	270,313	129,831	25,079	45,000	1,665,000	—	—	—	100,000	2,235,224
Holomisa	679,880	110,341	82,118	15,000	1,080,000	—	—	—	—	1,967,340
Khayaletu	720,837	247,553	113,977	15,000	1,350,000	—	—	—	—	2,447,368
Ladies Park	122,869	66,931	25,753	30,000	369,000	—	—	—	—	614,555
Lonwabo	188,400	50,434	28,370	30,000	279,000	—	—	—	—	576,205
Mahlangu	0.00	133,710	114,986	30,000	1,926,000	—	—	—	100,000	2,304,696
Manto	355,210	183,297	98,171	15,000	864,000	—	—	—	100,000	1,615,679
Mark Makalima	110,582	116,870	69,252	30,000	360,000	—	—	—	—	686,706
Masibambane	153,124	126,122	66,197	15,000	315,000	—	—	—	—	675,444
Cambridge	1,844,284	1,028,820	530,580	30,000	12,069,000	150,000	300,000	750,000	100,000	16,802,685
Daluxolo	573,227	602,038	266,028	30,000	999,000	—	150,000	—	100,000	2,720,294
Ekuphumleni	119,895	358,252	200,310	30,000	882,000	—	150,000	—	—	1,740,458
Reeston Jevon	549,402	158,393	135,766	30,000	1,035,000	—	—	750,000	100,000	2,758,562
Eluxolweni	679,880	782,216	287,951	0.00	6,309,000	150,000	—	750,000	200,000	9,159,049
TOTAL	15,567,234	8,407,856	3,798,436	570,000	45,108,000	300,000	600,000	3,000,000	1,200,000	78,551,526

Table B.15 : BCMM NUSP Informal Settlements cost analysis

At the same time BCMM has embarked on the formalisation of various informal settlements categorised in the Informal Settlement Study as suitable for in-situ upgrading. Both USDG and HSDG funding provision has been made in the MTREF budget for these informal settlement areas.

Cluster 1	Cluster 2	Cluster 3
Masibambane; Masibulele; Velwano; Ilinge and Dacawa	Chris Hani 3; Winnie Mandela; Deluxolo Village; Sisulu Village; Francis Mei; Mahlangu Village, Mathemba Vuso, Gwentshe	Fynbos 1; Fynbos 2; Ndancama
MTREF Budget for Internal Services (USDG) = R25,000,000	MTREF Budget for Internal Services (USDG) = R13,024,000	MTREF Budget for Internal Services (USDG) = R25,024,000
MTREF Budget for Top Structures (HSDG) = R100,190,955	MTREF Budget for Top Structures (HSDG) = R15,000,000	MTREF Budget for Top Structures (HSDG) = R100,861,424
Duncan Village Redevelopment		
DV Proper	MTREF Budget for Internal Services = R20,000,000	MTREF Budget for Top Structures (HSDG) = R0

C-Section	MTREF Budget for Internal Services R11,300,000	MTREF Budget for Top Structures (HSDG) = R20,000,000
D-Hostel	MTREF Budget for Internal Services R9,300,000	MTREF Budget for Top Structures (HSDG) = R15,000,000

Table B.16 : BCMM Informal Settlements formalisation during MTREF period

Management and prevention of illegal occupation of land and buildings.

In order to try and curb the growth of informal settlements and prevent new informal settlements, various strategies have been introduced, with varying degrees of success. These include :

- Fencing of vulnerable land
- Ensuring that developable vacant land is planned and developed timeously to prevent invasion
- Informing communities about land invasion procedures
- Informing land owners about their rights and responsibilities in respect of protecting their land
- Patrolling of areas to curb illegal invasions
- Use of interdict processes to stop the invasion of targeted land

B.4.2 Densification Strategy

Well located, pro-poor urban development strategies are outlined in the Spatial Development Framework of the metro and more specifically in the Integrated Human Settlement Development Plan. It focuses on actions and approaches to achieve higher levels of functional, social, economic and environmental sustainability.

There are two types of development interventions that bring about urban densification. In the first instance it occurs through the development of vacant land (i.e. infill areas), the result of which is an increase in the city/town or urban density. Secondly, it occurs through “compaction”, which is an increase in net residential density through the addition of new units or people into an area, through subdivision of land and/or buildings or through the expansion of the floor space of existing buildings.

The following are examples of the manner in which densification is occurring:

- Land invasions and the subsequent upgrading and formalization of low income settlements on previously vacant or underdeveloped land.
- Incremental formal infill development of steep vacant land previously considered undevelopable, but now considered feasible for middle income and high income housing as a result of shortages of well located land within the city.

- Incremental compaction of existing urban areas as a result of subdivision, second dwelling construction and building floor area expansion.
- The density of existing areas should be increased through infill development on vacant land not required for other purposes.
- Compaction as a result of the development of new higher net residential density housing projects in response to security needs, increasing land development and maintenance costs.
- Corridor development along public transport and other major transport routes will also increase densities in existing areas.

BCMM sees high-density housing as an important strategy in densifying the city and preventing urban sprawl. The Buffalo City Integrated Development Plan and Spatial Development Framework both emphasize the importance of achieving higher density housing, particularly along major transport corridors and around economic nodes.

Apart from Social Housing as a form of densification, discussed above, BCMM has also provided for densification in the Residential Zone IV of the Zoning Scheme Regulations. There are 4 366 Erven in BCMM that are zoned for Residential Zone IV purposes, the majority of which are located in East London. The density of existing areas should be increased through infill development on vacant land not required for other purposes.

To effectively increase density and thereby reduce urban sprawl, future densities should average at least 35 to 40 units per hectare (gross) in new areas. Current densities average 20 units per hectare. It is predicted that more than 80% of the future residential demand in the metro will be for low-income housing. In view of the need for densification, it is this sector that will, of necessity, be most affected.

Increased densities can decrease land and servicing infrastructure costs and also enhance the viability of public transport systems. Thus BCMM must consider the following :

- To strengthen the existing major business routes and commuter routes in the metro by addition of high-density development alongside.
- To intensify development around existing public open spaces, where appropriate. Intensification refers to the subdivision of the existing appropriately located and designated brownfield erven.
- The greenfield development of certain strategic sites which, although located on the periphery of the city, should be integrated into either rail or road transport system. Environmental considerations rather than cadastral boundaries informed the perimeters of such external greenfield sites.
- Increased alignment between the Spatial Development Frameworks and the Public Transport Plan is required in order to ensure that housing is provided on land which is located adjacent to public transport routes. Key corridors have been identified and the

latest SDF Review proposed densification along these corridors and at the nodes or transportation hubs.

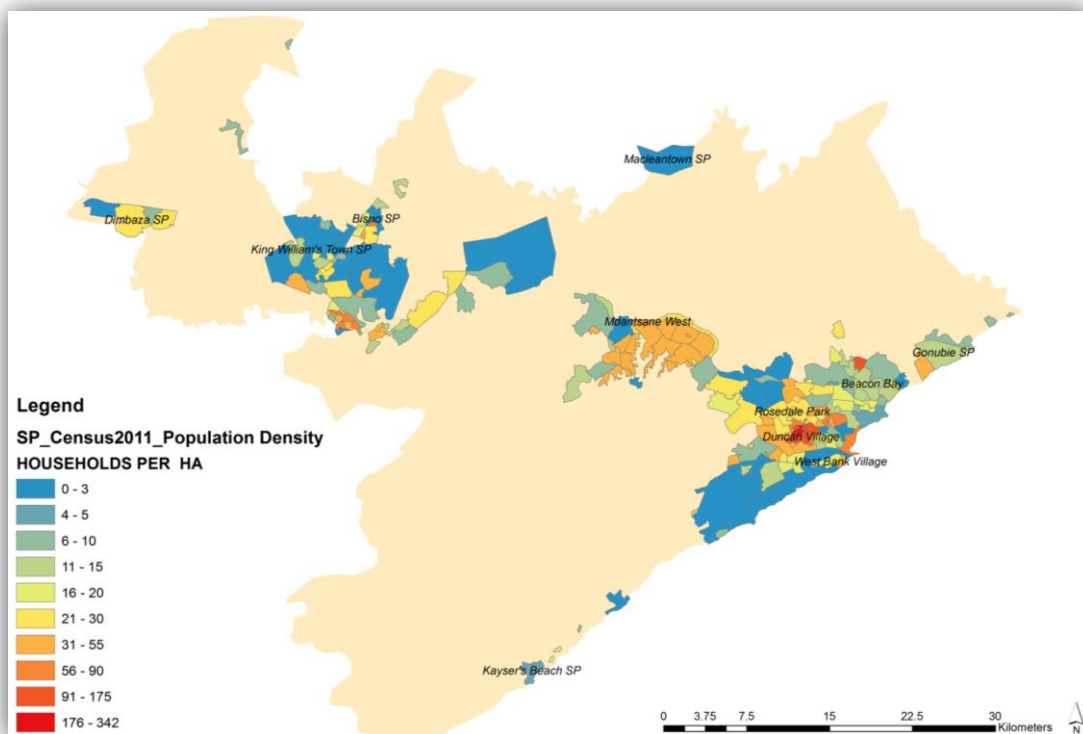


Figure B.26 : Urban Population Densities in BCMM

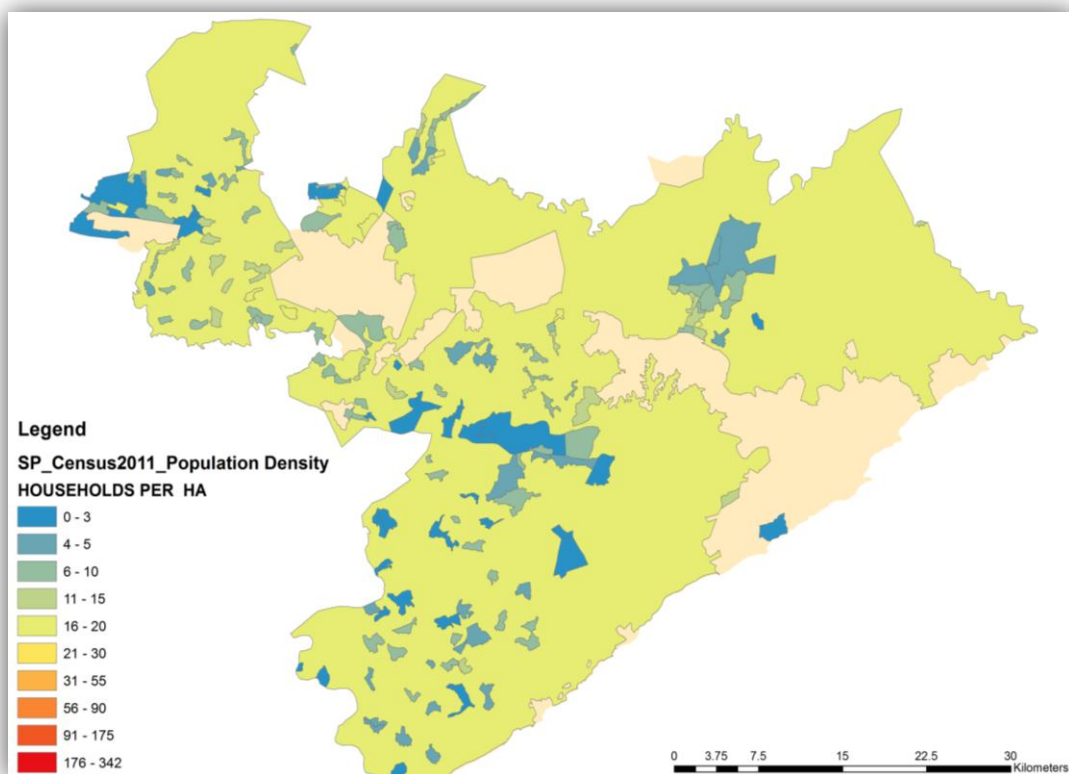


Figure B.27 : Rural Population Densities in BCMM



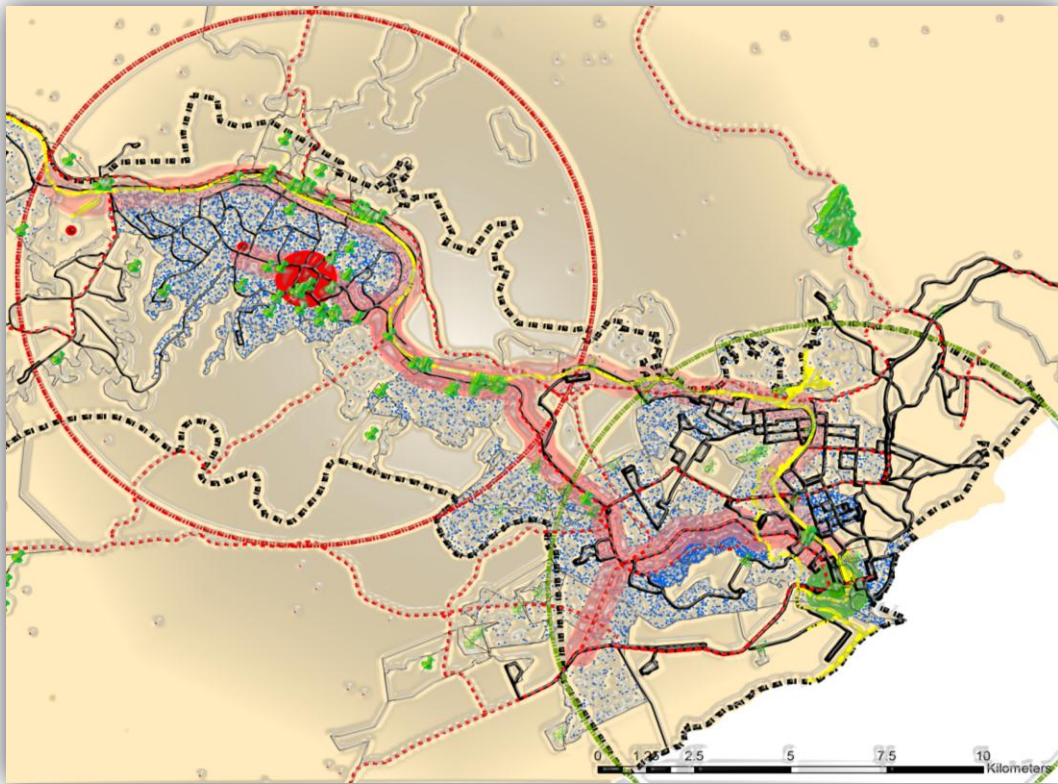


Figure B.28 : Population Densities along the MELD Corridor in BCMM

B.4.3 LAND IDENTIFICATION

Please refer to discussion in Section C3.3 below.

B.5 Community Infrastructure Review

Summary of Social Facilities provided in BCMM.

Type of Facility	Total Number	% Households within 3 km radius	% Households within 5 km radius	% Households within 10 km radius
Clinics	91		88%	
Primary Schools	308	99.9%		
High Schools	162	93.7%	80.1%	
Libraries	17			67%
Community Halls	102		90.2%	
Pension Pay Points	138		94.4%	
Police Stations	23			86.6%
Sport Fields	79		69.6%	
Cemeteries (Formal)	32			
Cemeteries (Informal)	133			
Crematoria	1			

Table B.17 : Summary of BCMM Social Facilities

Buildings, the natural environment, vegetation and open spaces are important for creating liveable environments. Linked to education and safety and security, well-functioning services and adequate facilities are also required by communities, good intergovernmental relations are required, as all spheres of government are involved in delivering these products.

In general, while access to and the number of community facilities provided in Buffalo City is thus not a concern, the standard of facilities and the quality of the service provided are often unclear. A further impediment to the delivery of fully integrated and sustainable human settlements are the large developmental backlogs, which put pressure on the capital budget of the metro.



Public Transport guidelines states that ideally there should be a bus stop / taxi embayment facility within 500m or alternatively a 7 minute walking distance in the metro. An effective public transport system would make it possible to travel 40km in one hour in order to reach work or home within public transport corridors.

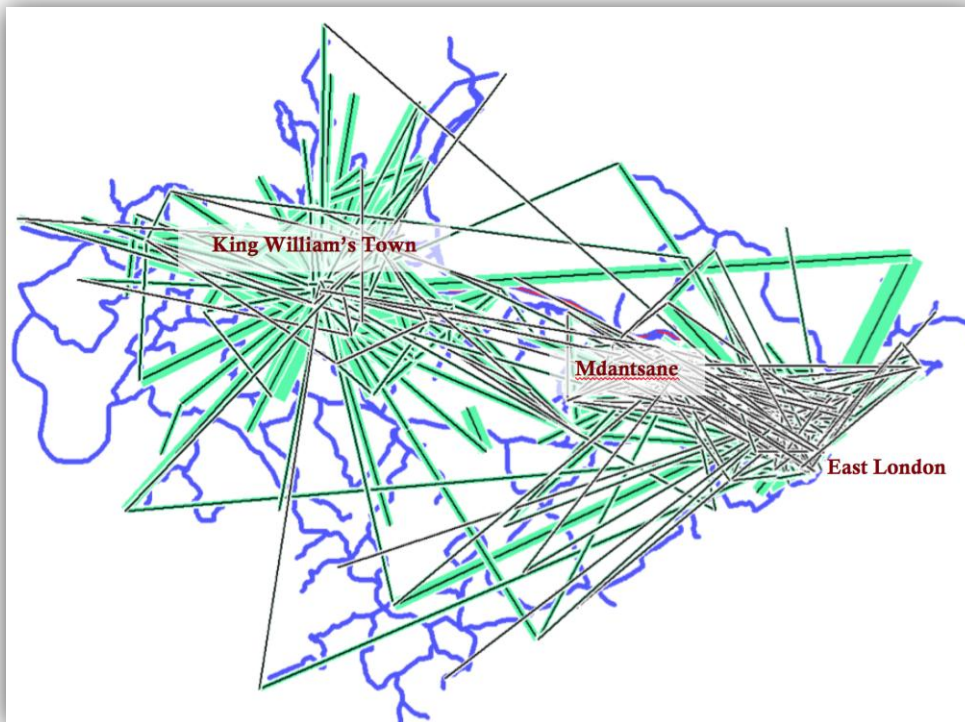


Figure B.30 Public Transport Trips per Day in Buffalo City

The current transport networks and modes of public transport are characterised by: -

- A spatial distribution and layout of road (and rail) networks mainly running along spurs and ridgelines, with few cross-river linkages inhibiting cross-town mobility in the greater East London area.
- For the most part, people resident in areas where access to opportunities is poorest are most reliant on public transportation.
- The spatial pattern and concentrations of development in these areas, however, have not historically favoured the sustainability of most modes of mass-based public transport. The consequence of this is that neither the form of the built environment nor the public transport systems that have endured (principally the mini-bus taxi industry) has served the most needy residents in an optimum manner.
- Of note is the proposed revitalisation of the rail commuter service linking East London to Berlin via Mdantsane. The success of this venture requires a long-term view of spatial

development in the rail corridor area, with an emphasis falling on the development of appropriate densities to support operating thresholds of the mooted service, over time.

- Present proposals for bridge crossings of Buffalo River and the linkage of the N2 and coastal routes (R72) would facilitate improved mobility of people resident in the Mdantsane / Reeston / Duncan Village areas to areas of opportunity in the West Bank area of the city. An additional bridge will also provide an alternative route for heavy trucks, which currently have to navigate through the East London CBD when traveling from Nelson Mandela Bay via the R72 to the N2 to Durban.

These heavy vehicles cause significant damage to the City's road network, and although the damage is caused by regional traffic, maintenance of the affected roads is done at a cost to Buffalo City. The proposed upgrade of the N2 between Buffalo City and Durban by SANRAL will see an increase in national traffic through the city centre, making the provision of the second Buffalo Bridge an even higher priority.



Figure B.31 : Proposed N2 Re-alignment and Buffalo Bridge

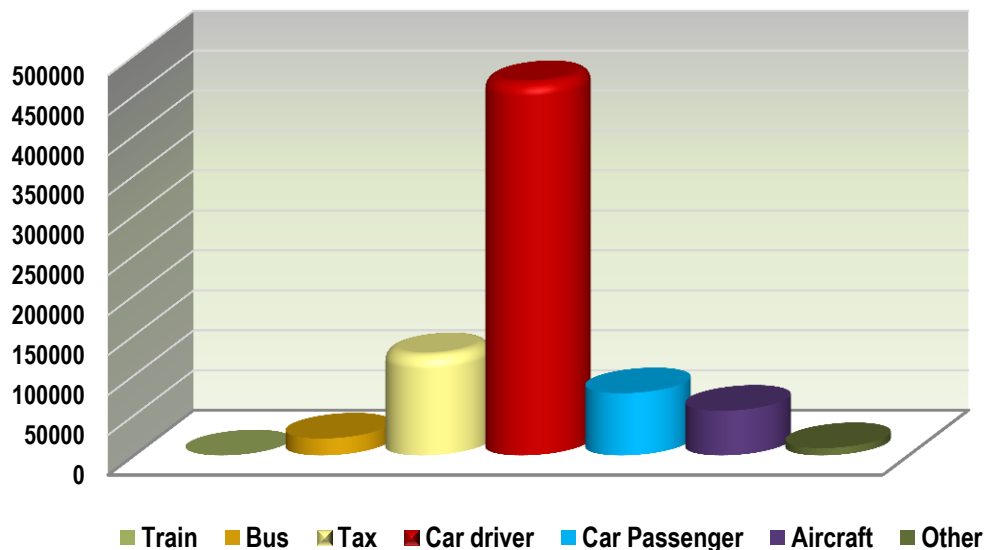


Figure B.32 : Modes of Transport in BCMM

Walking is the predominant mode of travel in the low income areas, while private vehicle transport is the predominant mode of transport in BCMM suburbs. Minibus taxis are currently the predominant public transport service in the municipal area.

IMPLICATIONS FOR LAND USE MANAGEMENT

The current SDF Review recognises that the average density of settlement along designated corridors in BCMM is around 5 dwellings per hectare gross. In terms of the SDF, the minimum threshold for public transport is set at 40 dwellings per hectare.

It is thus clear that strategic locations including those along transport corridors and at nodes and transport hubs, must be optimally developed at such densities or – preferably – even higher densities wherever feasible. The current land use management system (Buffalo City Zoning Scheme) is under review to facilitate this process.

The spatial challenges for transport corridors can be summarised as follow :

- Fragmented socio-economic spatial development
- Urban sprawl
- Low densities
- Lack of integrated transport planning e.g. car-dominated planning
- Disjuncture between transport and land-use planning
- Poor civic infrastructure, especially in disadvantaged areas
- Lack of a variety of housing typologies for lower income groups
- Lack of mixed use and tenure options in lower income areas

In order to address the above fragmented spatial form, a number of initiatives have been introduced and implemented to a varying degree in BCMM. These include the following :

- Review of the urban edge and desification policies
- Focus on the civic infrastructure in the public realm
- Review of the Metropolitan Spatial Development Framework (2013), including Local Spatial Development Frameworks
- Integrated Sustainable Human Settlement Development Plan
- BCMM Housing Programme
- Revision of the Land Use Management System

Some of these interventions have been successful, however the following aspects have been identified as barriers to the effectiveness of the interventions :

- Private sector developers constantly pressurise the municipality to relax the urban edge. Thses type of developments is not sustainable from a bulk infrastructure, economic and transportation point of view.
- The acquisition of well located private land at market related prices is a prolonged process.
- Growth in the local population and economy is very low. The implementation of development and steering development initiatives to priority areas can therefore take place over the long term only.
- For fully integrated and sustainable settlements, quality civic infrastructure in low income areas is needed. This includes the quality of roads, pavements and civic amenities. There is very limited provision from the current grant framework and the result is that new lower-income township areas are developed, with noticeably deficient civic infrastructure and amenities.
- The Spatial Planning and Land Use Management Act (SPLUMA) has recently been promulgated. It has not yet yield visible results although it is expected that changes can be anticipated in the 2015/2016 fincial year.
- Intergovernmental coordination is a major challenge with regard to integrated and sustainable human settlements. This is because facilities and services that are to be provided by theprovincial sphere of government are not being properly coordinated in the development and redevelopment of human settlement areas.

B.7 Sustainable Development Review

Apart from national policy informants, a number of key localised policy documents exist which have an influence on spatial development in the Metro.

These include:

- **Eastern Cape Biodiversity Conservation Plan Coastal Environmental Management Framework:** Cannon Rocks to Great Kei River.
- **BCMM Integrated Environmental Management Plan (IEMP)** - an overarching framework and decision making tool for environmental management within BCMM., developed in accordance with an environmental policy as well as supporting Action Plans.



- ***BCMM Integrated Coastal Zone Management Plan (ICZMP)*** – The plan aims to identify and prioritize existing environmental pressures, provide specific management recommendations to deal with these pressures, and provide an appropriate framework to manage the BCMM coastline. The plan is a subsidiary plan to the IEMP mentioned above and is divided into a series of Coastal Action Plans of which Coastal Action Plan 1 focuses on Spatial Planning.
- ***BCMM Energy and Climate Change Strategy*** - The BCMM Energy and Climate Change Strategy was commissioned after the national energy crisis and with environmental concern regarding climate change. The document provides a strategy for managing energy and mitigating climate change and includes spatial planning principles and their implications.
- ***BCMM Municipal Open Space System and Conservation Plan (MOSS)*** - The 2007 study focused on open space within the city. This was later expanded to include areas falling under the Mdantsane Urban Renewal Programme (MURP). The full BCM MOSS represents a comprehensive synthesis of recent spatial environmental planning policy and tools affecting BCMM.

The BCMM Conservation Plan designates areas of biodiversity importance and classifies land according to its restoration potential. A key finding of the Conservation Plan is that only 12% of the BCMM land area remains in a natural state. Furthermore 117 000ha or 43% of the land area falls within Ecological Process Areas with only 4% of the land area under formal protection. Out of the Impacted Land Categories, 23.87% is deemed unrestorable. With this in mind, land use guidelines have been developed for all areas of biodiversity importance.

The environmental conservation and management areas in the city comprise all afforested areas, coastal reserves, nature reserves, estuaries and river flood plains, steep slopes in excess of 1 in 6 gradient and fragile ecosystems. The Open Space System identified in the Municipal area, comprises of designated Protected Areas, areas identified for protection, environmentally sensitive areas (conservancy areas etc.) and sensitive areas associated with water courses and major river systems.

The above mentioned topographical and environmental constraints impact on the urban form of BCMM and pose challenges for the creation of a compact city.

B.8 Impact of Sectoral Reviews on Spatial Form

The aim of achieving a compact spatial form for BCMM is hampered by a number of impediments, primarily topographical constraints.

The impact of various sectoral reviews on the Spatial form of the metro can be summarised as follow :

Rapid urbanisation places pressure on existing infrastructure, land and opportunity

The bulk of new residents are from the ranks of the poor, with limited resources to meet their housing and other development needs, largely depending on public-sector assistance. There is a mismatch in the labour market between skills demand and supply, and the growth in the number and proportion of unemployment in the city. Non-residential growth remains largely within traditional centres as opposed to poorer residential areas. **Economic infrastructure** in the metro is largely confined to the retail sector.

The **capacity and condition of infrastructure** in traditional areas (including integration zone) inhibits redevelopment / intensification and therefore city compaction. There is an urgent need to upgrade infrastructure in older parts of the city in support of densification

The large proportion of low income households, limited **housing funding and delivery**, and focus on provision of a “complete” subsidised unit, results in rapid growth in informal settlements / backyard accommodation and focus on the city’s cheaper periphery for new settlements. Given large income gaps between residential areas, already poor / inadequately provided and dense areas accommodate new growth.

Slow progress on the release of **strategic land** assets increases pressure to find land on the city’s periphery. Existing and future housing demand for poorer citizens cannot be met through the application of existing housing models (freestanding BNG house). The private sector is largely excluded from lower income housing provision.

The provision of **community infrastructure** is focussed in areas of greatest backlog and population pressure

The **public transport** approach is to get individuals from poor communities and households closer to jobs, which are largely seen to be located in the CBD and other economic nodes of the metro.

Water security is important for the metro going into the future, including balancing the growth in urban demand with maintaining water supply to agriculture and food production. Increasing recognition and protection of the biodiversity / heritage assets which contributes to the city’s attractiveness also inhibits the redevelopment and intensification process through development constraints imposed and slow processes.

However, it must also be acknowledged that the BCMM is facing a challenging situation in respect of the historical legacy of **spatial fragmentation**. Consequently, it has had to grapple over a span of years to address infrastructure and housing backlogs and these on-going attempts to address such backlogs in existing settlements that are often located on the periphery of the identified hubs is often seen to be a challenge to the effort to focus and prioritise investment in areas of the city which would encourage economic growth and employment generation.

The **distribution of population** in the metro has a direct bearing on the nature of economic activities pursued by residents as well as the supportive linkages and “survival strategies” on which they depend. On this basis, it is important to note that a general distinction could be made between communities that are more dependent on, and therefore functionally linked to, the urban economies of the towns and cities, and communities that pursue a more “independent”, functionally rural lifestyle.

As expected, urban areas are also characterised by a majority of formal dwellings, with the more rural areas displaying a preponderance of traditional dwellings. The urban/ rural distinction needs to be borne in mind when conceptualising different forms of development projects in order to ensure that functional social and economic linkages are facilitated rather than undermined.

The fact that the majority of people in the metro reside within what may be termed an urban sphere of influence suggests that the interplay between rural communities and the urban economies is a critical functional element. This must be regarded as a guiding factor in the formulation of appropriate strategies for development projects and land reform in the Buffalo City Metropolitan Municipality.

The existence of **informal Settlements** and the threat of land invasions on land reserved for township development causes delays in the survey of such land. The Mandate of providing Emergency Housing resides with the PDoHS. The Office of the COO has however identified that BCMM could assist the PDoHS subject to funding being made available for this services

By-laws are fragmented across BCMM result in certain area's within BCMM not subjected to the provisions of the by-laws. Legal Services is currently awaiting appointment of a Project Manager to undertake this exercise. Interviews were held and recommendation made. Legal waiting for HR to confirm appointment. Meanwhile Legal Services is handling reviewable of by-laws from Depratments on adhoc basis.

Illegal dumping due to distant landfill sites. nstitution is engaged in partnerships , with the Dept. of environmental Affairs, Amatole District Municipality National Association of Clean Air . One of the projects identified with the Department of Environmental Affairs is ADOPT A SPOT- this is going to assist the municipality in preventing illegal dumping. No Dumping Signs have been erected in open spaces within BCMM.

Climate Change (Sustainability of the City and Resources and renewable energy). Climate Change Strategy has been developed and presented to Top Management and now awaiting approval from Council. Implementation of the strategy has been budgeted for.

Loss in revenue due **Illegal electricity** connections/ theft/ non-metered connections/ tampering. The Electricity Department has an Internal Revenue Protection Section. 2 additional electricians have been appointed. A team of 8 technicians and 4 armed securities has been established to raid the illegal electricity connections. continuous inspection of meters is being undertaken. Electrification of informal dwelling areas within BCMM has been budgeted for.

SECTION C

BCMM Strategies and Programmes



C.1 Long Term VISION

The newly developed Built Environment Indicators issued by National Treasury have provided key guidance on the main focus areas and ideal “endpoints” for the spatial transformation of the largest urban areas in South Africa.

These are encapsulated in the high-level goals of achieving – as an outcome of a sustained focus on planning and implementation of programmes and projects that prioritise the transformation of urban structure and functioning over time – a “*Well-Governed City*” with vision, leadership, public policies which drive spatial transformation and alignment of resources, an “*Inclusive City*” in terms of density and mobility, a “*Productive City*” with an integrated, efficient and effective economy which is growing and a “*Sustainable City*” with efficiencies in basic resources and increased resource substitution.

As part of its on-going strategic planning activities, BCMM has sought to promote and facilitate the progressive realignment of its activities in a way that it moves towards maintaining a consistent mode of operating with respect to investment in the built environment.

This has been done in an effort to build clarity in the relationships being developed between the BCMM and civil society formations and to promote a consensus on what needs to be done in order to achieve more sustainable and functional urban environments for Buffalo City’s community: its residents, businesses and commercial enterprises, visitors and prospective investors.

As a guide to its operational activities and to provide focus in its continuing efforts in this regard, the BCMM has adopted a long-term Vision and Mission that is set out in its Integrated Development Plan (refer to Section D2 below).

The metro is in the process of finalising the drafting of a “Metro Growth and Development Strategy” (MGDS). The MGDS key themes for the metro is outlined as follow :

- A Safe and Secure city
- A Connected City
- A World Class and Competitive City
- A City with Model Vocational Education Systems
- A Liveable City
- Diverse and Inclusive Opportunities
- An Environmental Forerunner
- Prosperous and Inclusive Economy

The organisational Vision and Mission is interpreted spatially in the latest Review of the Buffalo City SDF (2013), which puts forward the following long-term Spatial Vision:

“RE-SHAPING BUFFALO CITY: THE METRO IN 2023”

Buffalo City is a City-in-a-Region providing a focus for socio-economic development, services and higher order human settlement in the central part of the Eastern Cape Province.

The core elements of the City are its roles as a University Town; a hub for Green energy production and innovation; a centre of Industrial development with an innovative and world-class motor industry cluster at its heart;

A city that offers a rich lifestyle experience through the quality of its natural environment, the range of social, cultural and leisure activities offered in the area, and the excellence of its public infrastructure and social institutions.

The Spatial Vision contains key themes relating to the perceived areas of development potential (selling points) of Buffalo City but are further expressed in a conceptual sketch outlining the Vision in Figure C.1, which highlights the Municipality’s appreciation of the myriad linkages and the importance of connectivity in any effort to transform the spatial structure and functioning of the main urban systems in Buffalo City.

It is recognised that the achievement of the Spatial Vision requires the spatial alignment of planning and project implementation to develop the infrastructure networks (capacity) and linkages in the areas of greatest priority, as defined in the strategic approach set out below.

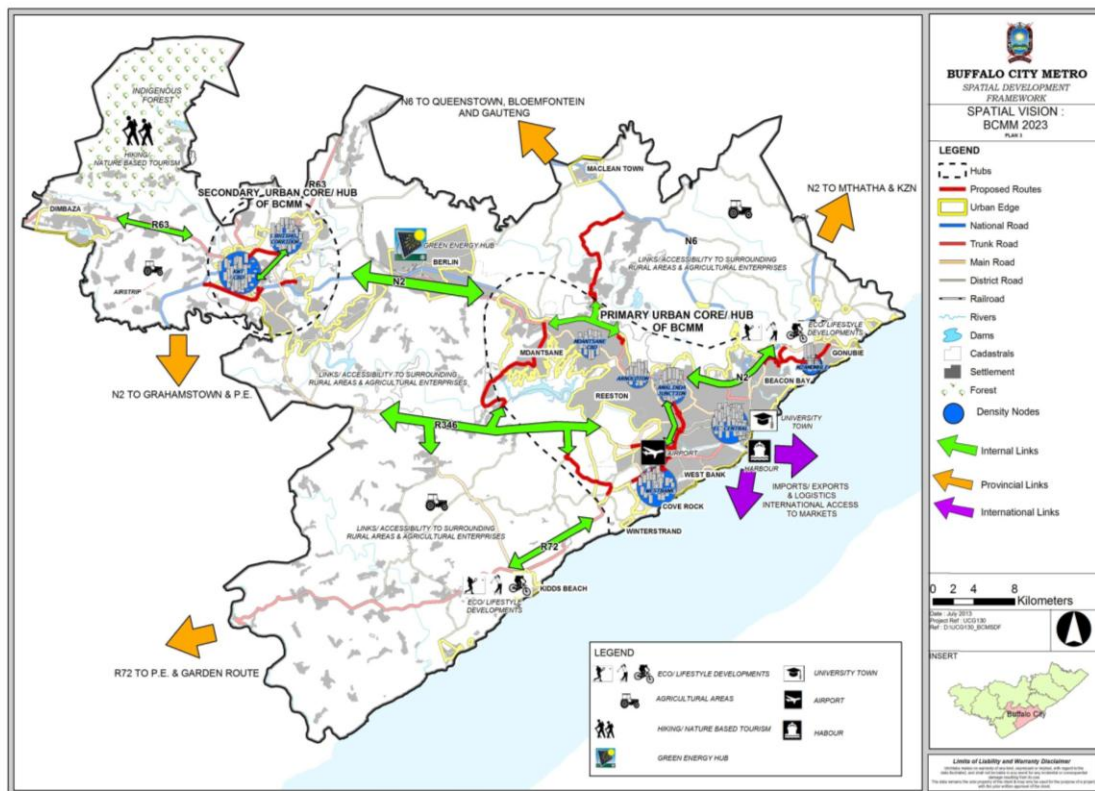


Figure C.1 : BCMM Spatial Vision 2023

The following are the key strategic objectives vir the metro :

- Developing and sustaining spatial, natural and built environments
- Providing integrated and sustainable human settlements
- Ensuring access to basic services for all resident communities in the Buffalo City Metro
- Addressing the challenges of poverty, unemployment and social inequality
- Fostering safe, secure and healthy environment for both employees and communities
- Positioning Buffalo city Metropolitan Municipality as a destination of choice for both investors and tourst through the development of a prosperous and diverse economy
- Accelerating service delivery through the acquisition and retention of competent and efficient human capital
- Ensuring sound financial management and viability

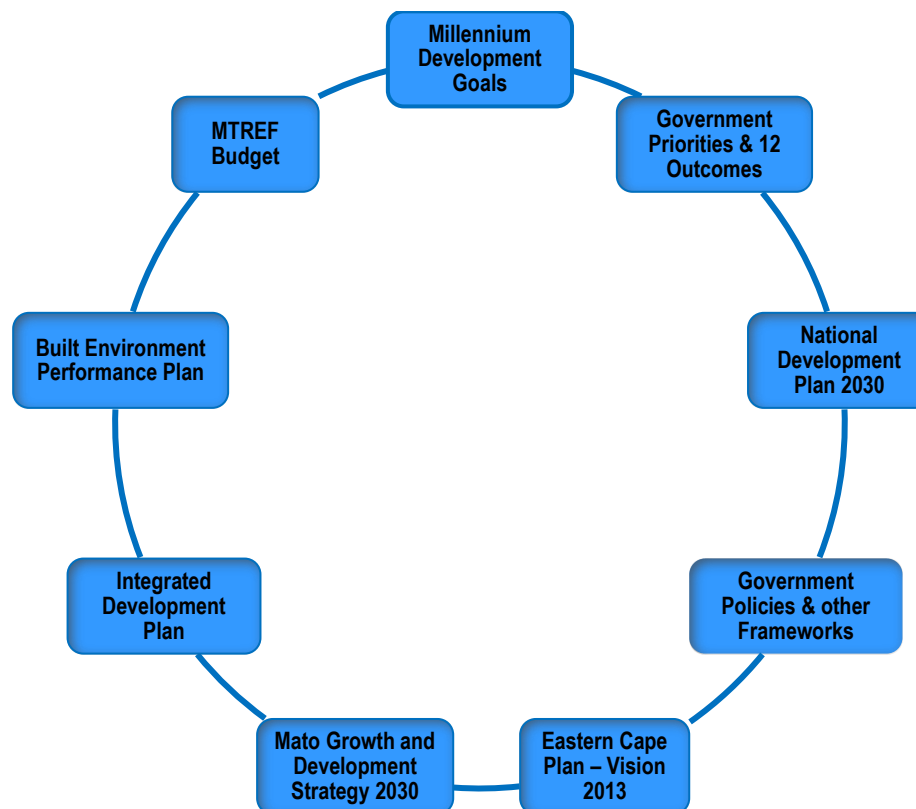


Figure C.2 : Relationship with strategic documents

The **Draft Integrated Urban Development Framework (IUDF)** 2014 sets out a policy framework to guide the development of inclusive, resilient and liveable urban settlements. The IUDF identifies eight priority objective levers. The eight levers are premised on an understanding that :

- ***Integrated Spatial Planning*** is essential for coherent development. Cities and towns are spatially organised to guide investments that promotes integrated social and economic development, resulting in a sustainable quality of life for all citizens. It stimulates a more

rational organisation and use of urban spaces, guide investments and encourages prudent use of land and natural resources to build sustainable communities.

- ***Integrated transport and mobility*** is vital component for economic infrastructure investment. Cities and towns where people can walk, cycle and use different transport modes to easily access economic opportunities, education institutions, health facilities and places of recreation. It contributes to a denser and more efficient urban form, supports economic and social development and is crucial for strengthening rural-urban linkages.
- ***Integrated and sustainable human settlements*** are key to redressing the prevailing apartheid geography, restructuring cities, shifting ownership profiles and choices, and creating more humane, safe living and working conditions.
- ***Integrated urban infrastructure***, which is resource efficient and provides for both universal access and more inclusive economic growth, needs to be extensive and strong enough to meet industrial, commercial and households needs and should also be planned in a way that supports the development of an efficient and equitable urban form and facilities access to social and economic opportunities.
- ***Efficient land governance and management***. Cities and towns that grow through investments in land and property, providing income for municipalities and allows further investments in infrastructure and services, resulting in inclusive, multi-functional urban spaces.
- ***Inclusive economic development***. Cities and towns that are dynamic and efficient, foster entrepreneurial and innovation, sustain livelihoods, enable economic growth and generates the tax base needed to sustain and expand public services and amenities.
- ***Empowered active communities***. Cities and towns that are home to socially and culturally diverse citizens, who are actively involved in city life and committed to making SA work.
- ***Effective urban governance*** – managing the intergovernmental dynamics within the city. Cities and towns that have the necessary institutional, fiscal and planning capabilities to build inclusive, resilient and liveable urban spaces.

C.2 The Spatial Development Strategy of BCMM

As previously noted, within the Buffalo City area the spatial pattern of development demonstrates spatial fragmentation continuing to occur within East London and King William's Town, mostly in the form of class-segregated residential areas or dormitory suburbs. Some larger such areas include Mdantsane, Potsdam, Ginsberg, Zwelitsha, Phakamisa, Breidbach and Ilitha. In addition, the higher order function and natural growth of the historic towns of East London and King William's Town have been impacted by historical attempts to create satellite

or "buffer strip" residential, commercial, industrial and administrative growth nodes - i.e. Bhisho, Berlin and Dimbaza. The City recognises this spatial development pattern as a legacy of apartheid and previous Bantustan policies that require urgent attention.

In terms of the BCMM IDP, an overall concept (described below) is accepted and endorsed as strategic direction provided by the Municipal Council for the purposes of this BEPP.

"In essence, the approach of Building on Urban and Rural Strengths acknowledges that the urban areas of Greater East London/Mdantsane and King William's Town/Bhisho are likely to be focal points for significant economic growth and development within Buffalo City over an extended period of time. However, it is accepted that there is a dependency amongst a significant proportion of the residents of Buffalo City on access to peri-urban and/or rural land for basic livelihood (i.e. survival or subsistence) purposes, and that this is likely to continue to be so, at least in the medium term (10 years).

Therefore, it is concluded that:

- ▶ *It must be accepted that it is most rational and economically effective to focus higher order development investment (in infrastructure, housing and a diversity of economic enterprises) in the urban core areas.*
- ▶ *However, a proportion of the resources of BCMM must also be targeted in areas of opportunity and areas of need in fringe rural and peri-urban areas, in order to upgrade existing settlements and create or facilitate new development opportunities in these areas."*

As noted above, from a conceptual point of view, the urban portion of Buffalo City extends in a linear form along the main watershed between East London and King Williams Town, with the historical settlements and urban nodes using the main roads and railway line as the main transport route to the surrounding area.

This urban form can be simply described as 'beads on a string' and, in order to enhance the operational effectiveness of this built form, it is envisaged that future development should be directed in such a way that the various settlements or nodes (beads) along the main rail and road transport routes (or string) be allowed to develop in intensity (i.e. density and variety or mix of land uses).

This is intended to create areas where the density of development and the increased variety of opportunities at points of good access to the majority of residents would improve both the overall functioning of the built environment in Buffalo City, as well as offer better social and economic opportunities for the residents.

More specifically, it is suggested that within areas of high need and/or development potential, the integration of modes of transportation, particularly public transportation modes, should be undertaken to create points of high accessibility for a greater number of people.

For the purposes of the Buffalo City Metropolitan SDF, then, the central development concept is one of 'beads on a string', with the string comprising a linear system of integrated movement modes and the beads being the intensive mixed-use nodes, around multi-modal transportation

terminals. An alternative (or more technical) description of the concept would be to focus on the concepts of nodes (beads) and corridors (string).

There can be no doubt that an efficient transport system is fundamental for the successful development of the City. The greater the integration between development and the road, rail and modes of transport, the more opportunities there will be for economic development.

This implies a need to develop intense and higher density settlements with mixed uses along the main transport routes; inner city medium density residential environments surrounding the East London and King William's Town CBD's and medium density residential development not more than 120 meters from bus/taxi routes and near stations.

The rural areas, which contain agricultural/residential mixed uses, would be located in suitable areas where water soils and topography could sustain 'urban agricultural environments'. It is further proposed that market garden living environments be supported where commercial scale agriculture could be sustained.

Such a conceptual framework would enable a close relationship to develop between urban and rural settlements. There is a danger that urban sprawl could erode valuable agricultural land if it continues unchecked. Accordingly, it is believed essential that increased densities close to transport and economic centres are a vital strategy and new investment in housing, commercial buildings, industrial sites and recreation facilities should be used to increase the intensity of land use within the confines of the existing urban area and thereby raise living densities, improve public transport viability and increase economic activity.

Investment in public facilities can also be used as development facilitators through the development of intensive mixed use nodes and creation of 'community bundles' containing public facilities, community services and sports infrastructure. Through this conceptual framework of integrating development closely with efficient transport systems, an improved environment is expected for the future city. In order to achieve such a future vision, certain key spatial structuring elements need to be used in all development decision making to direct growth and ensure the city starts to re-direct development into a framework which is more appropriate and desirable.

C.2.2 Broad Spatial Development Strategies

In response to the conceptual framework above, the reviewed Spatial Development Framework for Buffalo City Metropolitan Municipality elaborates **objectives and strategies** to manage spatial development and land use and to guide new investment to achieve the development vision set out in the BCMM IDP and the SDF. The core strategic approach is summarized as follows: -

- ▶ *Implement the principles of Integrated Environment Management and identify resources (natural/biodiversity; social; economic; heritage and cultural; human capital; financial) and manage land use in valuable resource areas;*

- ▶ Use a defined Urban Edge and Land Use Management System as spatial management and investment guidance tools;
- ▶ Consolidate and integrate spatial development by developing land in proximity to public transport facilities and existing services;
- ▶ Implement a Land Reform and Settlement Programme by identifying zones of opportunity or integrated development in peri-urban and rural areas;
- ▶ Pro-actively manage land use and set appropriate levels of service to achieve sustainability in urban, peri-urban and rural areas.

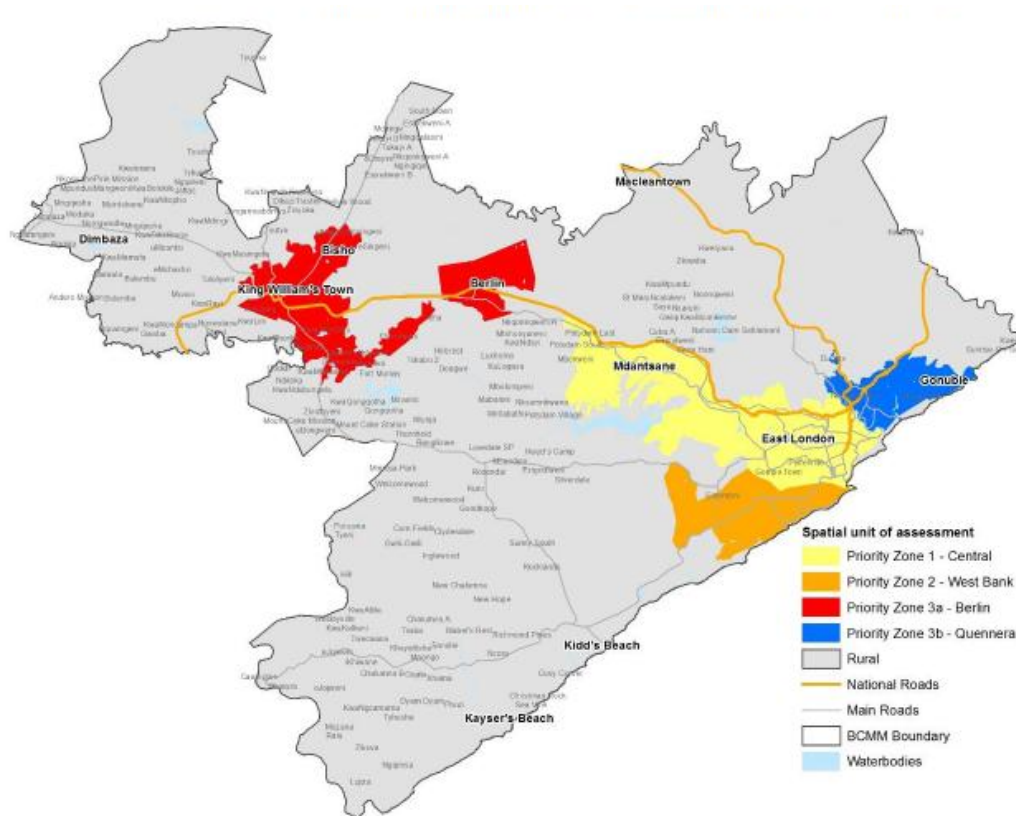


Figure C.3 : BCMM SDF Priority Zones

C.3 Overview of Area-Based Initiatives

Buffalo City has four area-based initiatives, at present. These are: -

- The Mdantsane Urban renewal Programme (MURP)
- Mdantsane Urban Hub – NDP initiative
- The Duncan Village Redevelopment Initiative (DVRI)
- The Bhisho-King William's Town Revitalisation Programme

In addition, the gazetted and proposed Provisional Restructuring Zones (PRZ) are noted as area-based spatial development initiatives.

The following details apply: -

1. The Mdantsane Urban Renewal Programme (MURP)

Specific areas of focus for the Urban Renewal Programme include: -

- *The upgrade or rehabilitation of existing but degraded infrastructure;*
- *The redevelopment of key access and circulation roads within the township;*
- *The development of social facilities in facility clusters at strategic localities within the township; and*
- *The development of public transport feeder routes to the railway stations.*

It is also proposed that the funding streams administered in terms MURP are to be used to target specific development areas including: -

- *Consolidation of fragmented formal and informal settlement areas on the western fringe of the township, including areas known as Unit P, Ikhwezi, Khayelitsha (Potsdam East NU 1), Potsdam Village (Blue Rock), Unit V and Potsdam South.*
- *Development of Reeston Phase 3 on the eastern side of Mdantsane.*
- *Upgrade and redevelopment of settlements in the Mdantsane Buffer Strip to achieve higher residential densities, particularly in localities near to strategic transport modal interchanges such as Mount Ruth and Mdantsane Stations.*
- *Co-ordinated upgrade of infrastructural capacity and the prioritization of some 10,000 informal shacks in serviceable areas within the built fabric of Mdantsane.*
- *MELD proposals for intensification of land use around Highway are important if the node is to be developed to its potential.*

2. Mdantsane CBD - Urban Hub

The Mdantsane CBD (known locally as “Highway”) is a Regional Transport Hub for taxis and buses, but poor linkages to the railway stations located along the northern fringe of the township hinder the potential for integrated modal public transport systems at present.

In the context of Buffalo City, Highway is a relatively minor Commercial Service Centre – it serves the township but operating thresholds are low (low densities and little disposable income). Many people prefer to commute to East London for goods and services.

3. The Duncan Village Redevelopment Initiative (DVRI)

The main focus of the DVRI is to establish formal housing in an area that is almost entirely covered by informal settlements. This focus is also in line with the National Upgrading Support Programme (NUSP), which aims to facilitate the upgrading of informal settlements in South Africa.

As part of the National Programme on the Upgrading of Informal Settlements, an Interim Business Plan was prepared by BCMM and submitted to the Provincial Department of Human Settlement. The Total Interim Project Budget contained in this Interim Business Plan amounts to over R1billion, with a project timeframe of 15 years.

Buffalo City Metropolitan Municipality appointed a Turnkey Implementing Agent responsible for the implementation of housing within Duncan Village as well as within areas linked to the Duncan Village Redevelopment Initiative. ASLA was awarded the project and a Memorandum of Agreement was concluded on the 30th of May 2014.

Duncan Village is an area with historical significance and currently it is estimated that around 70–10.000 people reside in the various precincts in mostly informal dwellings. The process of development of Duncan Village will be conducted through short, medium and long term objectives that will ultimately allow the formalisation of Duncan Village as well as the re-establishment of many families to new developments within BCMM.

The long term objectives will take cognisance of urban development and the alignment of housing with easy access to employment opportunities as well as recreational amenities. The short term interventions will focus on making an impact within Duncan Village in the shortest possible time frame and will entail coordinated re-allocation of people to various temporary sites. Within this first draft the focus will be on providing an initial overall strategy.

Duncan Village is densely populated and before any formalisation can commence the following must be accepted:

Development within Duncan Village can only take place if sufficient space is available to do so;

- The first block and future blocks to be cleared will be identified in accordance with practical considerations;
- People will be re-located from an identified block towards a temporary relocation area (TRA). This is the only way to create sufficient space over a short period;
- People will be moved from that geographic area only – hence prioritization will be on the basis of geographic location in Duncan Village;
- From the TRA people will be moved to various projects which may include re-establishment within Duncan Village;
- It is not possible to re-establish all the beneficiaries currently residing in Duncan Village back in Duncan Village.

The main challenge over the longer term is to find projects to accommodate the beneficiaries currently residing within the geographical boundaries of Duncan Village, but which cannot be accommodated within the ultimate housing provided.

There is a potential shortfall of nearly 2000 opportunities (excluding Ford Msimango). This highlights the importance of:

- Densification of projects – example Reeston Ph3 Stage 2 to open up the 1000 new opportunities;
- Incorporating vertical densification within Duncan Village;
- Rental options to house potential non-qualifiers;
- Identifying alternative land for future development within BCMM.



4. The Bhisho – King William’s Town Revitalisation Programme

In 2010 the Department of Roads and Public Works commissioned the implementation of a Master Plan for Bhisho Revitalisation. The Master Plan proposed the revitalization of Bhisho through a number of strategic projects that can be implemented by public and private sector delivery agents. A number of Anchor Projects categorised into term periods have been identified. These include the following:

Quick Win Projects (< 2 Years)

- Upgrading of Bhisho Memorial
- Pedestrianisation of portion of Independence Avenue
- Waste Recycling
- Signage
- Marketing and Communication Strategy

Short to Medium Term Projects (2-5 years)

- Strategic Spatial Implementation Framework
- Bhisho CBD Upgrade and Parking Strategy
- Independence Avenue Ceremonial Boulevard
- New Office Precincts: Phase 1
- Residential Development (Social, Rental and Gap / Affordable Housing)

Long Term Projects (+5 years)

- Office Precinct
- Affordable and Bonded Housing
- Partially subsidised Rental Social Housing,
- High value privately funded housing projects)
- CBD Upgrading (Public realm and existing retail facilities)
- Sports, Recreational and Caravan Park Upgrading into a Multi-Purpose Node

5. Provisional Restructuring Zones

Numerous initiatives have been undertaken in the period 2000 to present. More discussion on this aspect is set out in Section C4.2.1 below.

C.3.1 Co-Ordination with Special Infrastructure Projects

The Special Infrastructure Project (SIP) applicable in Buffalo City is the SIP 7: Integrated Urban Space and Public Transport Programme. The key catalytic projects related to the SIP 7 are :

- N2 Re-alignment and bridge over the Buffalo River
- Commuter rail service between Mdantsane and East London.

C.3.2 Co-Ordination and Alignment with Informal Settlement Upgrade Programme

With the support of the National Department of Human Settlements, funding has been made available through the National Upgrading Support Programme (NUSP) to support BCMM's programme to carry out in-situ upgrade procedures in 32 informal settlements, which are located (with the exception of one settlement) within the SDF-designated Priority Areas (Integration Zones) of Greater East London-Mdantsane and King William's Town/Bhisho. Refer to Section B for detail on informal settlement programme in Buffalo City.

C.3.3 Land Release and the Spatial Development Strategy

Buffalo City Metro completed a Land Audit in 2011, which formed the basis of a Land Summit held in March 2014. One of the key issues raised as an outcome of these processes is the fact that a number of strategic land parcels in BCMM remain in state ownership, under title registration to various state departments. These land parcels have proven extremely problematic to acquire and, in some instances, this has represented an obstacle to smooth land development processes. As a result, some of these land parcels have been invaded and, in cases, communities who have settled there in inappropriate localities or settlement patterns are now demanding service delivery.

In 2012, Buffalo City Municipality BCM invited the Housing Development Agency (HDA) to deliberate on strategic areas of support. Accordingly, the Implementation Protocol (IP) was drafted and the Medium Term Operation Plan (MTOP) has been finalised to commit the parties to act in common pursuit of the stated aims and objectives in keeping with the provisions of the Intergovernmental Relations Framework Act. The objectives and priorities of the Protocol are: –

- i. To authorise the Agency to facilitate the process of Land Assembly and Tenure upgrading on behalf of the BCM so as to enable the Municipality to undertake development;
- ii. Specifically, through the Implementation Protocol, the BCM appoints the HDA to fulfil the following role, namely:
 - act as its duly authorised agent and representative to identify, acquire transfer land required for development purposes in line with the SDF of the municipality

Priorities to be pursued are set out in this operational plan as confirmation of collaboration and is the basis of specified roles, funding arrangements and performance expectations agreed by the BCM and the HDA.

- a. *The primary objective of this medium term operational plan is to document the activities and services that are required by the BCMM from the Housing Development Agency to undertake on its behalf and in line with the signed implementation protocol.*
- b. *Furthermore, the plan seeks to provide a full account of the services and value add that will be delivered by the HDA in support of BCM – thus allowing for specific measurable performance to be anticipated.*
- c. *From a service delivery perspective, the operational plan outlines how the HDA supports the Municipality in meeting its built environment objectives and, in particular, overall targets in respect of Government's Outcome 8 (Sustainable human settlements and improved household quality of life).*

The operational plan serves to outline the measurable and time-bound performance of the Housing Development Agency in support of the BCM strategic objectives.

Private land acquisition will be undertaken by BCMM itself according to a Land Acquisition Programme where key developable land parcels have been identified and mapped in terms of development potential.

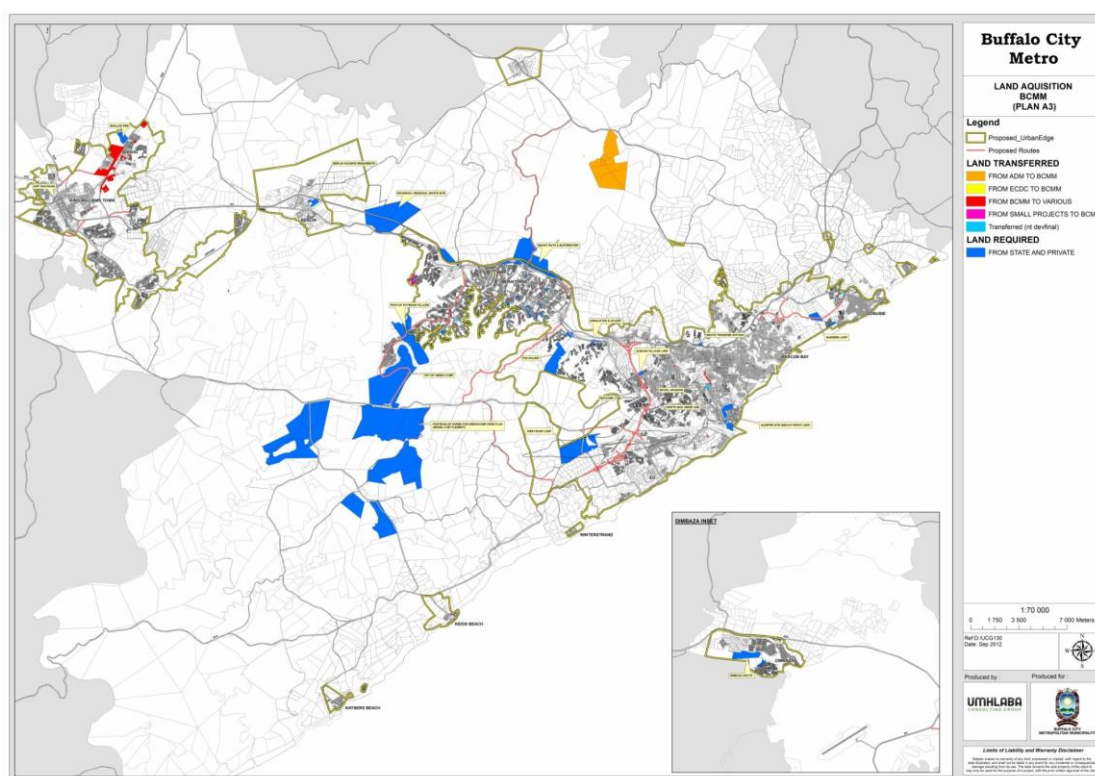


Figure C.4 : BCMM Land Acquisition Plan

A highly complicated mix of tenure categories and characteristics affect how easy or difficult it becomes to gain access to land. In general terms, the stability of freehold title has made it easier for formal large scale investments and settlement development to occur. The communal owned land areas do not offer security of tenure, hence large scale investment by the private sector is generally more difficult to achieve. In these areas, informal development takes place without conventional security of tenure.

The Buffalo City Metropolitan Municipality Land Release Programme is the central and driving force for Urban and Rural Development. Such a programme aims to redress effectively the injustices of forced removals and the historical denial of access to land. It aims to ensure security of tenure for rural dwellers and in implementing the programme and through the provision of support services, the municipality will build the economy, provide housing, increase rural incomes and eliminate overcrowding. Access to land is a prerequisite for a successful urban development programme.

The government Land Reform Programme is made up of the following principal sub programmes i.e. land redistribution, land restitution and land tenure reform. *Tenure redistribution* makes it possible for poor and disadvantaged people to buy land with the help of a settlement/land acquisition grant. *Land restitution* entails restoring land or compensating victims for land rights lost due to past racially discriminatory laws passed since 19 June 1913.

Land tenure reform is the most complex area of land reform and it aims to bring all people occupying land under a unitary legally validated system of landholding. It will provide for secure forms of land tenure and help resolve tenure disputes; and make awards to provide people with secure tenure.

Tenure reform must address difficult problems created in the past. Guiding principles of tenure reform must move towards rights and away from permits. It must also build a unitary non-racial system of land rights for all South Africans. It should further allow people to choose the tenure system which is appropriate to their circumstances. Tenure must also be consistent with the Constitution's commitment to basic human rights and equality.

The purpose of the land redistribution programme is to provide the poor with access to land for residential and productive uses, in order to improve their income and quality of life. It also aims to assist the poor, labor tenants, farm workers, women, as well as emerging farmers. Redistributive land reform is largely based on willing-buyer, willing-seller arrangements.

Access to land will be achieved for a significant number of eligible beneficiaries, assisted by grants and services provided by government, a more equitable distribution of land and therefore contribute to national reconciliation and stability. It will also help in solving problems of landlessness and pave the way for an improvement in settlement conditions in urban and rural areas.

The goal of the restitution policy is to restore land and provide other restitution remedies to people dispossessed by racially discriminatory legislation and policies, in such a way as to



provide support to the vital process of reconciliation, reconstruction and development. Restitution is an integral part of the broader land reform programme and closely linked to the need for the redistribution of land tenure reform.

With regard to *restitution of land rights*, we have three projects namely, East Bank, West Bank and Macleantown.

C.4 Identification of Urban Network Integration Zones and Hubs

C.4.1 Integration Zones and Network Elements

Buffalo City Spatial Development Framework

In order to achieve the aforementioned SPATIAL VISION and to implement the Conceptual Development Framework, the following strategic spatial proposals are highlighted below.

In an effort to try to bridge the gap between planning and implementation, the SDF now proposes THREE spatial areas of strategic priority where, if focused attention is placed on implementing key catalytic projects, significant developmental benefits can be attained over an extended period of time for the benefit of all communities and residents of Buffalo City as well as the broader region over which the socio-economic influence of BCMM extends.

In summary, the BCMM SDF proposes an approach of restructuring the urban settlement patterns in the municipality by prioritising investment in land development enabling infrastructure and public transportation networks to be directed towards key areas of opportunity (development nodes, corridors or focus areas) within identified Priority Areas (UNS Integration Zones).

Layered on top of this core strategy, it is anticipated that emphasis will be required on further integrating main urban areas (as defined by the proposed Urban Edges) with the surrounding peri-urban and rural hinterland areas, especially those areas that retain significant human settlements and a base population of communities remaining tied to the land. In this regard, a series of layers of interconnected “settlement networks” is seen as desirable.

- *Based on the overall developmental vision of BCMM, the prioritisation of investment in the three main priority areas of “Central East London-Mdantsane”, West Bank and King William’s Town-Bhisho;*
- *Within the three Priority Areas, a specific focus on investment in planning, infrastructure and public goods and services to promote densification and spatial transformation in the identified Integration Zones;*

- *Beyond the first-line priorities, maintaining activities to improve the linkages between the Priority Areas and hinterland settlement areas, as well as productive rural land areas through investment in the improvement of the main roads networks.*

Within this overall scheme of spatial planning and development management, it is envisaged that key catalytic projects in each priority area be identified for implementation in order to achieve the overall goal of spatial transformation and a pattern of land development that is sustainable.

Urban Network Strategy

The NDPG's new strategy, known as the Urban Networks Strategy represents a targeted investment programme to transform and integrate the development of targeted township economic nodes, by locating and linking them within the wider "urban networks".

The NDPG has a very specific focus on (1) working with and assisting municipalities, to do credible medium to long term strategic and project planning to implement the Urban Networks Strategy and (2) using the Conditional Grant funds to invest in catalytic projects that have the potential to create multi-functional primary Urban Hubs in township areas.

Urban Network	The Urban Network consists of a primary and secondary network which interconnects at strategic nodes known as Urban Hubs, which are located within townships.
Urban Networks Strategy (UNS)	The Urban Networks Strategy is a transit oriented precinct investment planning, development and management approach. Its focus is on strategic spatial transformation that optimises access to social and economic opportunities for all and especially the poor. It aims to work towards a more efficient urban environment that creates an enabling environment for economic growth and development.

An Urban Network Strategy (UNS) Framework was approved by BCMM Council as part of the 2014/2015 BEPP submission. This framework was also accepted by the NDP-Unit at National Treasury. The key elements of this broad Urban Network Strategy are :

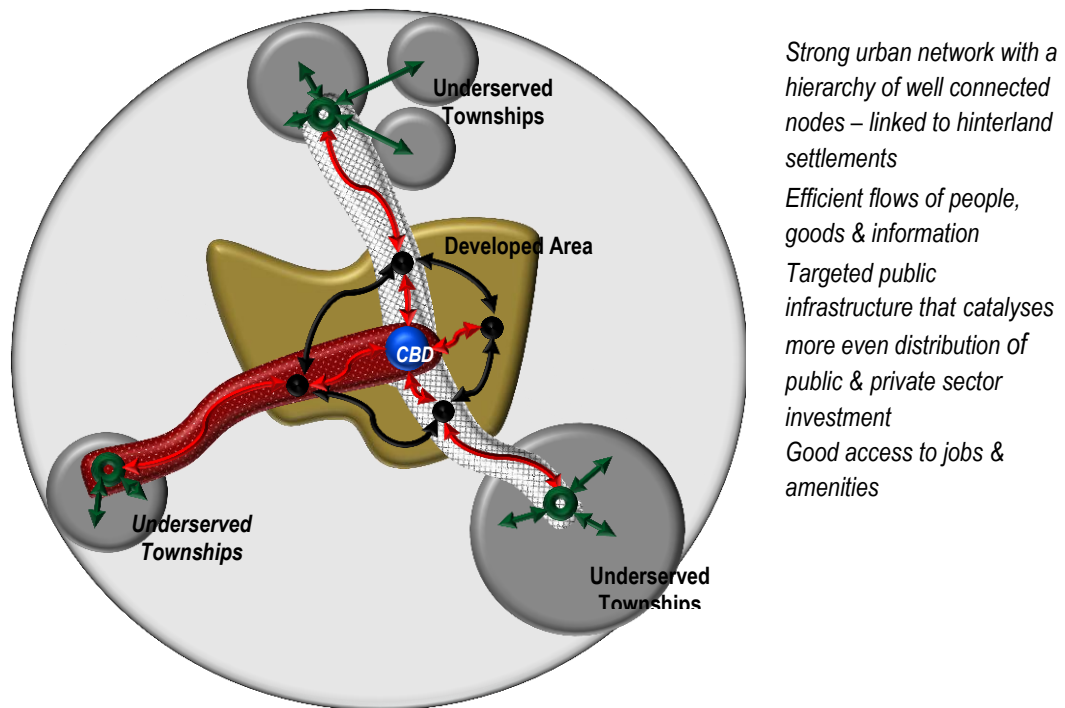


Figure C.5 : Conceptual View of Inter-Nodal and inter-Settlement Networks

SOURCE: National Treasury, presentation on Metro Dialogues, May 2013.

The Buffalo City Urban Network Strategy comprise of two regions i.e. Eastern Region with the Mdatsane – East London – Duncan Village corridor and the Western Region with the King William’s Town – Bhisho corridor supported by Dimbaza and Berlin nodes.

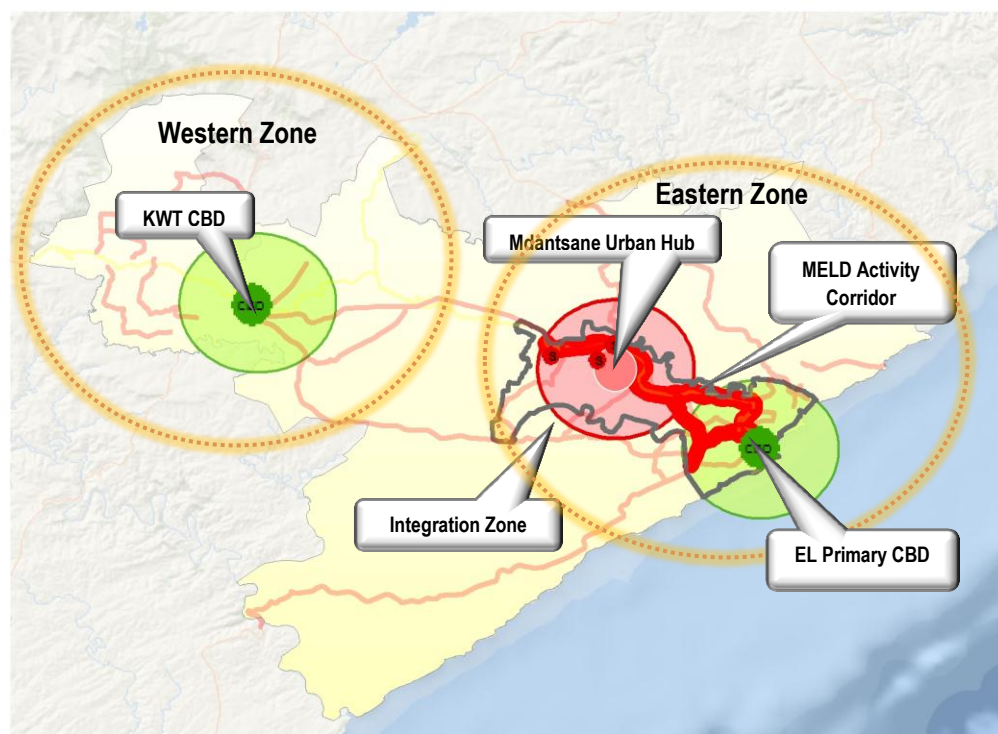


Figure C 6 : BCMM Urban Network Strategy

Element	Description
Integration Zones	<p>The Urban Network Strategy (UNS) identifies two Integration Zones in Buffalo City Metropolitan area.</p> <ul style="list-style-type: none"> • East : Mdantsane – East London - Duncan Village • West : King William’s Town – Bhisho <p>It is noted that these activity corridors also serve as major employment areas. The development of a mixed land use at sufficient densities in support of the activity corridor from Mdantsane to East London.</p> <p>Mixed-Use development is the horizontal and vertical integration of suitable and compatible residential and non-residential land uses within the same area or on the same parcel of land. It is aimed at facilitating a wide range of residential types within close proximity to employment, educational, social and recreational opportunities.</p> <p><u>East : Mdantsane – East London - Duncan Village</u></p> <p>This includes East London and Mdantsane and the areas in between them. This area is regarded as the ‘HEART’ of the City-In-A-Region, which is BCMM.</p> <p>Due to the enormous number of people, this area is also subjected to critical infrastructure/service backlogs, which severely hinders progress of development. The urban area also has the potential to accommodate between 40 000 to 50 000 households at increased densities in the future. Creating infrastructure capacity in roads and services networks will give “<i>biggest bang for the buck</i>” in shortest time-frame.</p> <p>The Mdantsane to East London CBD corridor stands out as the key public transport corridor. This is based on the following criteria and characteristics:</p> <ul style="list-style-type: none"> • <i>Existing and future public transport passenger demand – this corridor has the highest passenger demand in Buffalo City.</i> • <i>Operations – this corridor also provides the most operationally efficient service within Buffalo City and therefore the most cost effective.</i> • <i>In terms of the development and planning framework proposed by Buffalo City, this corridor is the key strategic transport corridor for the city.</i> <p><u>West : King William’s Town - Bhisho Corridor</u></p> <p>The Urban Network Strategy identifies the King William’s Town to Bhisho corridor as the western zone for development of the metro.</p>



	<p>King Williams Town/Bhisho as an extended Rural Service Centre is an important segment of BCMM and continued support is required. The Provincial Department of Roads and Public Works commissioned the implementation of a Master Plan for Bhisho Revitalisation.</p> <p>The Master Plan proposed the revitalization of Bhisho through a number of strategic projects that can be implemented by public and private sector delivery agents. The spatial proposals and guidelines have been aligned with and adopted by the Local Spatial Development Framework.</p> <p>Provincial Government is leading initiatives to consolidate Bhisho as an Administrative Capital of the Eastern Cape Province and BCMM needs to support the initiatives by ensuring that there is sufficient bulk infrastructure.</p> <ul style="list-style-type: none"> • Support continuing function of KWT as an extended Rural Service Centre • KWT CBD multi-user focal area • Support Provincial Government-led initiatives to consolidate Bhisho as the Administrative Capital of Province • Mixed Land Use Potential • Residential/Business/Office • Investment in roads and public transport • Infrastructure upgrades to support the KWT-Bhisho Revitalisation process : <ul style="list-style-type: none"> – <u>Waste water</u> Zwelitsha Regional WWTW and association bulk conveyance infrastructure. Berlin - Waste water treatment (depending on extent of development). – <u>Water</u> Regional Water Treatment Plant in Kei Road area and associated bulk conveyance infrastructure to Bhisho and Berlin. – <u>Electricity</u> New/upgrade Yellowwoods sub-station (Eskom). – <u>Access</u> Rail linkage to Ports (goods) – could have benefit in solid waste handling.
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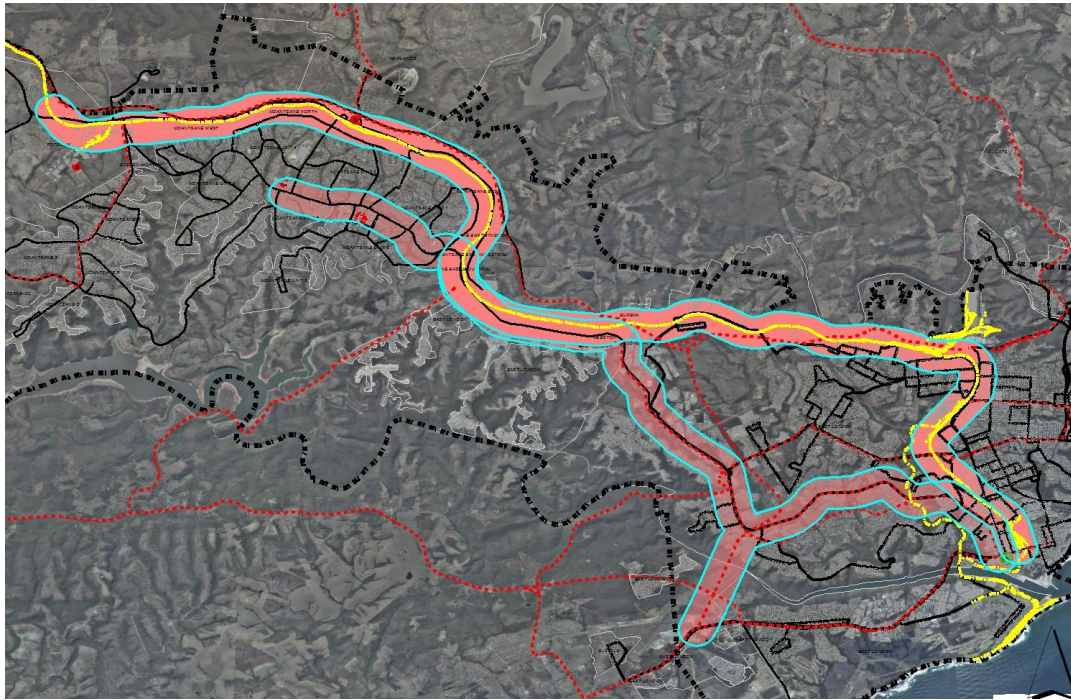


Figure C 7 : Mdantsane – East London Duncan Village (MELD) corridor

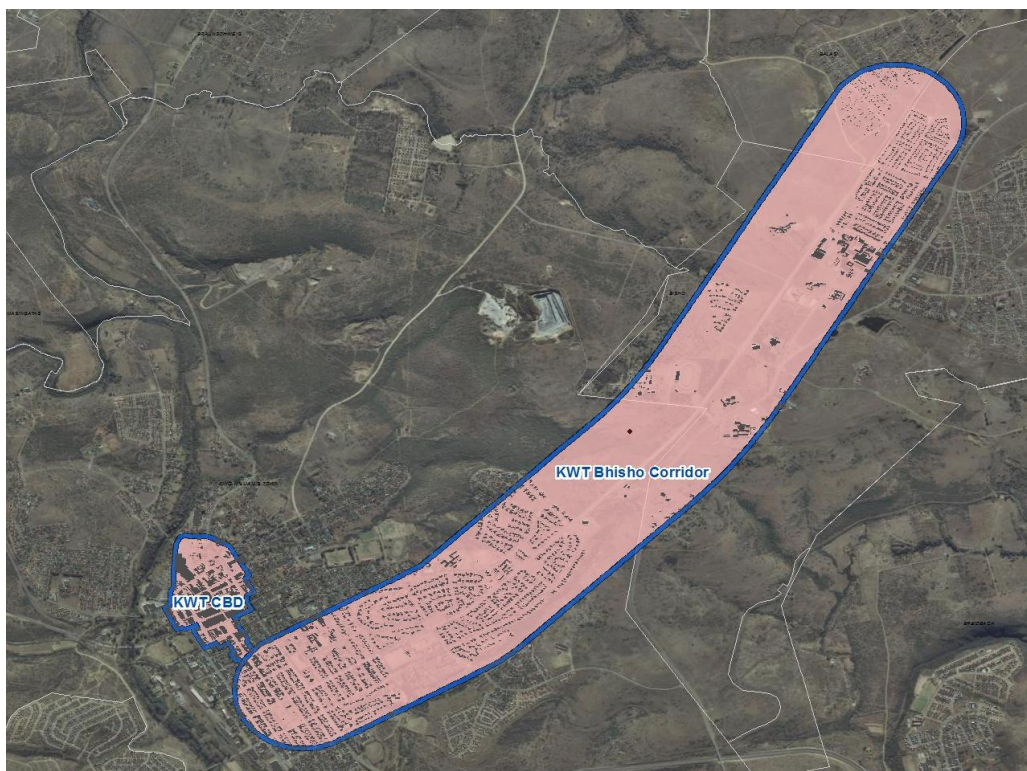


Figure C 8 : King William's Town – Bhisho Corridor

Element	Description
Primary Network / Transport Links	<p>The primary network in the Urban Network include two major transport arteries, being :</p> <ul style="list-style-type: none"> • Mdantsane – East London Duncan Village (MELD) corridor • King William’s Town – Bhisho Corridor <p>The notion of development corridors both as structuring elements to guide spatial planning as well as special development areas with specific types of development potential has been well established internationally.</p> <p>Activity Corridors, which are described as bands of high-density urban development up to 800 metres wide along a public transportation route. Typically, activity corridors link areas of greater intensity of land use, which are commonly called nodes. Activity corridors are generally considered the highest order of corridor.</p> <p>The development of corridors along major routes that have the potential for integrated mixed land use development, supported by public transport services id envisaged for Buffalo City. Typically, development corridors have been identified as roads or other transport routes along which existing and/or potential land developments at a higher than average intensity (can) occur.</p> <p>A Review of the <i>Integrated Transport Plan</i> (ITP) for the metro will be undertaken. The primary objective of the ITP is to improve accessibility for all residents of Buffalo City with a specific focus on public transport options.</p> <p>The other significant network / transport links include :</p> <ul style="list-style-type: none"> • <i>Oxford street pedestrian and public transport project</i> - This project will involve transforming Oxford Street between Commissioner Street and Stephenson Street into a pedestrian and public transport oriented road, with limited access and loading areas for goods vehicles. The measures are intended to make the CBD more attractive by providing exclusive public transport lanes and facilities, including facilitating pedestrian movement on wider sidewalks. • <i>Park Avenue/Thorburn Terrace</i> - An upgrading and re-alignment of this cross-town route, which will provide a link from the North East Expressway to the northern part of East London’s CBD, by-passing the CBD’s Fleet Street route • <i>Extension of North West Expressway to Amalinda Main Road</i> - This will be the first phase of the North West Expressway route, which will eventually link the R 72 route near the airport with the N2 freeway at the new Summer Pride interchange



- *Fitzpatrick Road (R72) realignment* - This project involves the realignment/rerouting of the section of the R72 between Commercial Road and Fleet Street. The road will bisect the Sleeper Site and open the area up for development
- *Rehabilitation of Fleet Street* - This includes the upgrading of Fleet Street to accommodate the effect of the BRT and other associated projects within the CBD of East London. The other major component of the project is the maintenance issue as the road has failed structurally.
- Widening of Gonubie Road
- Quenera drive extension
- Qumza Highway Upgrade
- Devereux Avenue (Vincent)
- Lukin Road/Pearce Street (Berea)
- Old Transkei Road (Stirling/Nahoon)
- King William's Town to Bhisho link (Maitland Road)
- Amalinda Main Road
- Alexander Road (KWT)

These arteries / transport links form the structure of the public transport system in Buffalo City and comprise of road as well as rail network links.

Rail Network

Buffalo City in its ITP identified that the public transport system will consist of a better passenger rail service between Mdantsane and East London, as well as the upgrading of some key railway stations – Mount Ruth, Vincent and East London stations. These stations would be important transfer stations between new feeder bus services and the rail.

The aim of the new system would be to offer a much better public transport service to people living in Mdantsane who travel regularly to East London. In Mdantsane a new scheduled feeder bus service would be brought into service to convey passengers to the Mount Ruth railway station, and will also provide transport generally within Mdantsane and the Highway public transport facility.

The basic operating mandate of PRASA is to expand passenger carrying capacity and service. PRASA seeks to achieve this primarily, through its commuter and inter-city rail services and supplement these with its bus operating subsidiary. The plans are to renew the commuter rail fleet to new high-capacity rolling stock, supported by an infrastructure modernisation programme.



	<p>Buffalo City has a large and potentially rapidly growing manufacturing sector, which depends on an efficient and reliable freight transport system. The improved co-ordination with PRASA on metro transport planning and implementation is needed.</p> <p>The proposed projects for Buffalo City are:-</p> <ul style="list-style-type: none"> • The rail route between Mdantsane and East London CBD to be upgraded for increased passenger usage as part of the public transport plan for the metro. • Upgrade and extension of the commuter rail services between Berlin and King William's Town.
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Figure C 9 : East London Central Business District

Element	Description
Central Business District (CBD)	Metropolitan or Primary Nodes – these are nodes that are of such significance in terms of scale, location, diversity and agglomeration of function (facilities, services and economic activities), that they impact on the metropolitan region as a whole (or have potential to do so in the context of the SDF).

	<p><u>East London CBD</u></p> <p>The Urban Network Strategy identifies the East London CBD as the primary CBD for the Buffalo City Metropolitan Area in the Eastern zone of the metro. The following key activities for the East London CBD have been identified :</p> <ul style="list-style-type: none"> • <u>Central Precinct</u> : Planning and development of the Sleeper Site within the East London CBD (mixed land use development and University Town node) • <u>Western Precinct</u> : East London CBD as the mass-transit node - Development of regional transit facility i.e. "Gillwell Taxi Rank" in East London CBD. Future mixed land use development with potential road linkage of Park street with Plontoorn Road. • <u>Southern Precinct</u> : Fort Hare University city campus and student accommodation with the in East London CBD. • <u>Northern Precinct</u> : Future civic administration block development and improvement of the Southernwood station. • <u>Eastern Precinct</u> : Development of the beachfront promenade and the extension of the East London Port. • The partial pedestrianisation of Oxford and Cambridge Street linked to the implementation of the public transport plan in the East London CBD • East London CBD multi-user focal area and improvement of the general condition and cleanliness of the CBD. • To promote access to ICT - The future direction is to expand, access and affordability to communication technology. The access to modern information and communications technology is vital for business. The widening of the digital divide will have compounding effects, given the increasing importance of online education and employment opportunities. The proposed strategies are to facilitate increase broadband penetration, to maintain collaboration with partners-creating a WiFi City, offering the community accessible and flexible communication • Infrastructure upgrades to support the East London Regeneration process : <ul style="list-style-type: none"> – <u>Water</u> Upgrade raw water conveyance between the Buffalo River & Umzinyana WTP Upgrade the capacity of the Umzinyana WTP – <u>Access</u> and transportation to CBD
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Figure C 10 : King William's Town CBD

Element	Description
Central Business District (CBD)	<p><u>King William's Town CBD</u></p> <p>King William's Town is a strong Commercial Service Centre and a vibrant informal trade centre. It serves the surrounding rural hinterland, such as Bhisho, Breidbach, Zwelitsha and Phakamisa. The economic resilience of King William's Town is a result of the performance of the CBD. The development of the King William's Town CBD as the primary CBD in the Western zone as a mass transit node and mixed land use area.</p> <p>The following key activities for the KWT CBD have been identified :</p> <ul style="list-style-type: none"> • The Bhisho Revitalisation Precinct with administrative function of the province, residential, office and business potential • The ongoing Zwelitsha Regional Waste Water Treatment Works development. • The Kei Road Regional Water Scheme to create more water capacity in support of development in the King William's Town region • The King William's Town CBD is a Regional Transport Hub for taxis and buses. • Improvement of Taxi City and Market Square bus and taxi rank; • King William's Town CBD City Improvement District (CID) be established;

	<ul style="list-style-type: none"> • Establishing clear identities for CBD Precincts; • A Marketing Plan; • New through-road (N2) bypassing Alexandra Road and channelling traffic through King William's Town via Buffalo Road. This is a longer-term proposal and will be subject to the findings of feasibility studies; • "Greening" of the CBD by extending linkages between Botanical Garden and Buffalo River green corridor; • Additional traffic circle in Alexandra Road; • Preservation of Heritage Sites; • Improve flow of traffic along Alexandra Road with dedicated turn lanes; • Maintenance of public recreation facilities and parks; • Regional WTP in Kei Road area and associated bulk conveyance infrastructure (to Bhisho & Berlin) • Upgrade the capacity of the Nahoon WTP • Upgrade conveyance capacity from Nahoon WTP to Da Gama
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Note : ICDG Funding will be used to develop more detailed developmental plans for the King William's Town CBD and the East London CBD / inner city area during the 2015/2016 financial year.



Figure C 11 : Mdantsane Urban Hub / CBD

Element	Description
Primary Urban Hub	<p>Mdantsane CBD – This hub is identified as the primary hub for urban / catalytic intervention with the objective of linking and integrating previously segregated township of Mdantsane with the greater East London area.</p> <p>The key elements in this hub include :</p> <ul style="list-style-type: none"> • The Mdantsane CBD is an existing mass regional transit node and will be further development with the support of the Neighbourhood Partnership Development Grant • CBD multi-user focal area • Infrastructure upgrades to support the Mdantsane Urban Hub development : <ul style="list-style-type: none"> – <u>Water</u> Upgrade raw water conveyance between the Buffalo River & Umzonyana WTP Upgrade the capacity of the Umzonyana WTP – <u>Electricity</u> New Mount Ruth & Central Injection sub-stations (Eskom)

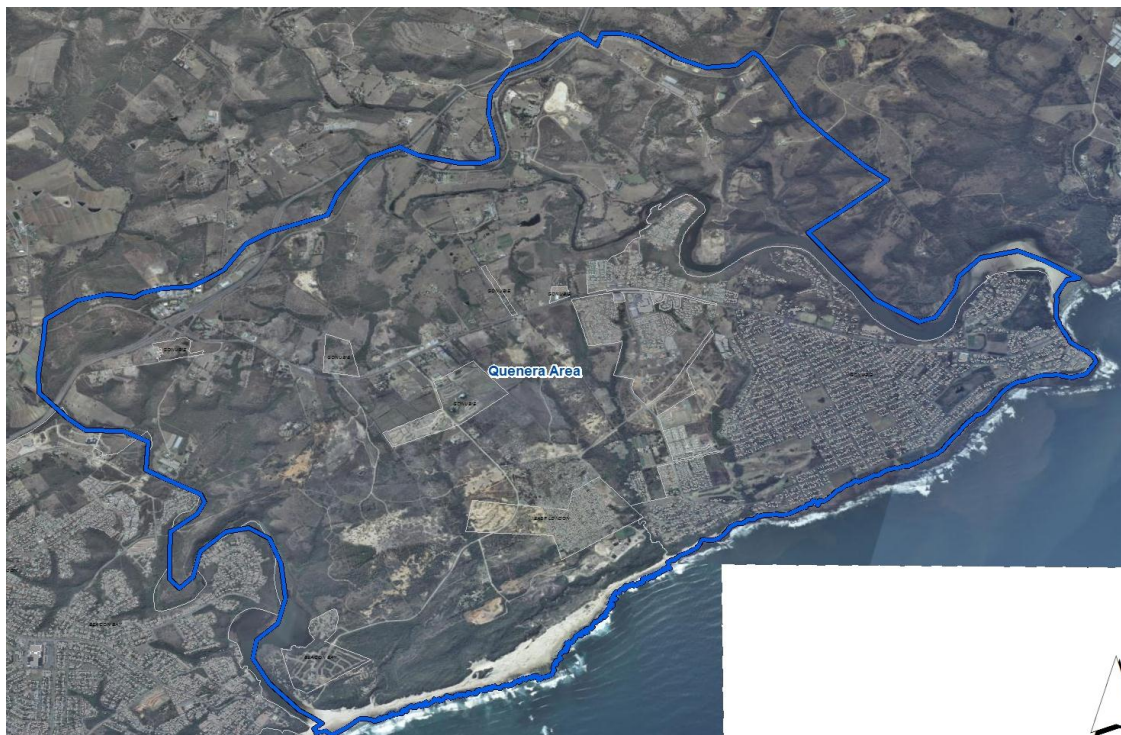


Figure C 12 : Quenera Area

Eastern Zone : Key Areas and Nodes of Development

Quenera Area

The Quenera LSDF proposed this area as 'higher density mixed use development' to integrate into the existing settlements. Rapid growth of the city and the increased demand for land and facilities, coupled with the higher costs of services, necessitates the development of higher density residential precincts.

To maximise the utilisation of resources and achieve more economic/efficient use of services or infrastructure, densification of cities is encouraged by National Policy. The following development management principles were recommended to encourage higher density development:

- Development corridors along Gonubie Main Road and the Quenera Road should enable higher density mixed use development (at least 80 dwellings per hectare)
- Surrounding areas, including existing informal settlements, should accommodate medium density development (up to 50 dwellings per hectare).
- Increasingly lower density residential development should be encouraged away from transport routes at an approximate density of between 10 and 20 dwelling units per hectare.
- Commercial and industrial development should be focused around various nodes, at junctions between main roads.
- Nodes should be supported at the junctions along the proposed new road link between Beacon Bay and Gonubie, Gullsway intersection; and an intersection in the central Quenera valley.
- The size, scale and intensity of service industrial development needs to be investigated
- The bulk of the Quenera area is proposed for residential development including, higher density residential (80 to 100 dwellings per hectare of developable area) along the development corridors;
- Medium density to low density development (50 dwellings to 20 dwellings per hectare or less) is proposed further away from development corridors.

The **Mza'momhle and Nompumelelo** are problem areas that need to be addressed without necessarily extending solution to mass-based housing in the eastern sector of BCMM as this will distort desired spatial pattern of CENTRAL-WEST Focus.



	<p>The extension of Mzamomhle in a northerly direction onto more suitable land is seen to be urgently needed in order to replace the shack areas that are growing around that suburb. Higher intensity/medium density housing is envisaged to be developed in a westerly direction. These would comprise attached dwellings and possibly even two to three storey walk up flats, for those families who wish to lease rather than own accommodation.</p> <ul style="list-style-type: none"> • The development of the Quenera area for mixed land use potential and mixed density residential development • The implementation of the Quenera Arterial link road between Mzamomhle / Gonubie and Beacon Bay / East London • Finalisation of the Quenera Waste Water Treatment Works to support future development in the area. • Recreation area north of Mzamomhle • Provision for future schools, social facilities and amenities needs to be made by developers/private land owners at the time of submission, in accordance with accepted planning standards. • Land close to the river mouth zones has been earmarked for tourist resort sites and similar holiday resort development, subject to Environment Impact Assessments, the Coastal Zone Management Plan and flood level studies. • Infrastructure upgrades to support the Quenera Area of development : <ul style="list-style-type: none"> - <u>Waste water</u> Upgrade Gonubie WWTW - <u>Water</u> Bulk pipeline from Nahoon WTP to Quenera area Upgrade of the Nahoon WTP - <u>Electricity</u> New/upgrade sub-station (Eskom) - <u>Access</u> Road(s) CBD to Gonubie/ Beacon Bay Transportation
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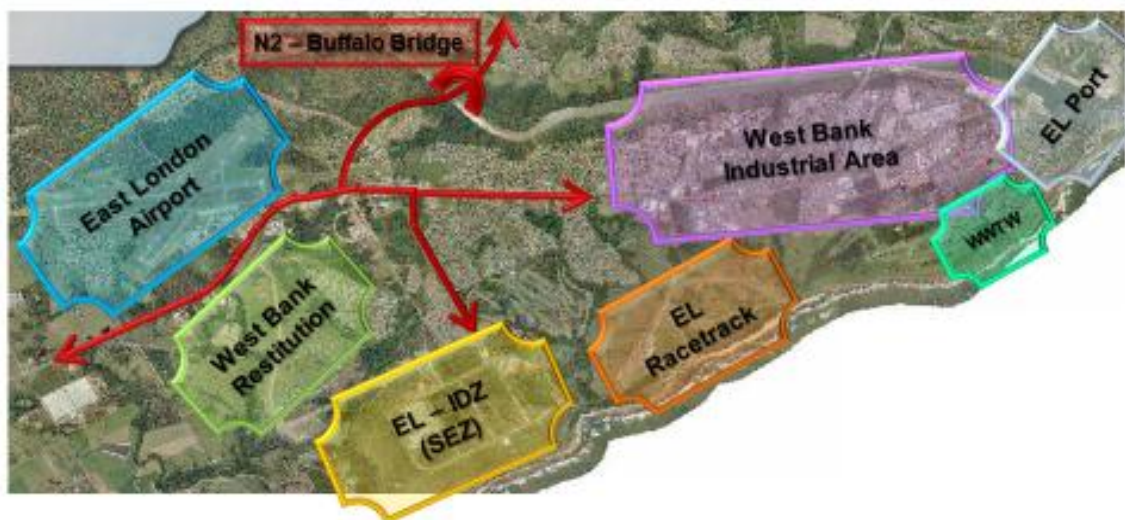


Figure C 13 : West Bank Catalytic Area of Development

Element	Description
West Bank Area	<p>The West Bank area has been seen as having the best potential for large-scale urbanisation in the Greater East London area. Investment in the East London Industrial Development Zone (ELIDZ) is constrained from being fully realised by the lack of key infrastructure in Wastewater Treatment on the West Bank.</p> <p>Given the connection of the IDZ and future potential industrial development on the West Bank with a growing momentum for residential development, it appears that a particular strategic priority in the overall spatial development of Buffalo City Metropolitan would be the investment in infrastructure – particularly wastewater infrastructure – to facilitate future development at scale in this area.</p> <p>The West Bank is identified as an Industrial Development Zone, with 'Mixed Land Use' cluster proposed initiatives: -</p> <p>The following key activities for the West Bank Area have been identified:</p> <ul style="list-style-type: none"> • New Buffalo River Bridge & N2 Bypass road via Haven Hills and Buffalo River Bridge to link to the R72 coastal road - This important new bridge crossing is essential to future access across the Buffalo River, currently having only one practical crossing. The project will enable a more direct route between the Mdantsane's Highway Rank and the Industrial Development Zone and the West Bank industrial areas. It will also alleviate congestion in the East London CBD area and free up part of the inner city for Pedestrianisation.

	<ul style="list-style-type: none"> • The new West Bank Waste Water Treatment Works in support of the industries located on the West Bank. New WWTW or marine outfall - international industry often reluctant to establish in the area due to association with “non-compliant” effluent disposal / Green issue; • East London Industrial Development Zone (ELIDZ) linked to the automotive sector and Science and Technology Park. The East London Industrial Development Zone: it is noted that the ELIDZ Corporation engaged in a Macro Plan exercise, to define how the IDZ envisages to integrate and develop within the context of the West Bank area; • The consolidation of developments associated with the Daimler Chrysler plant (motor industry cluster) • Social and Public funded residential development located on the West Bank • The East London Airport is of key economic importance as a domestic gateway and contributes to Buffalo City as an attractive location for business and tourism. The development of the East London Airport i.e. extension of the runway and new facilities. Airports Company SA (ACSA) plans include expanding the runway to accommodate 747 and sufficient land available has been identified for the expansion • The East London Harbour deepening and potential developments associated with expanded container terminals. Transnet plans to spend R2.4 billion in investments between 2014 and 2020 for various infrastructure projects within the port. The extensions to the breakwater and deepening of the entrance channel are expected to take place at the Port of East London in 2015. • East London Racetrack - Long term lease agreement concluded with developers. Discussion currently taking place between BCMM, IDZ, DEDEA and the developers to refine projects coming from this initiative. • Potential Mixed Land Use areas located west of the Buffalo Pass Road, which are likely to encompass a mix of commercial and smallholding agricultural land uses. • Public-funded residential developments, with the potential for 20 000 to 30 000 units, includes: - • The Nongqongqo Restitution Project and Airport Phase IIA Residential developments, located north/north-west of Phase I of the ELIDZ. • Potential residential areas located west of the Noise Interference Zone associated with the East London Airport. • Invest in ‘land banking’ for future development. • Landscaping of the city entrance • Infrastructure upgrades to support the West Bank Area of
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	<p>development are :</p> <ul style="list-style-type: none"> • <u>Water</u> • Upgrade the capacity of the Umzonyana WTP • Water source (effective operation of the system of dams supplying BCMM and water conservation/water demand management are key in the short to medium term) – general area wide matter; • Raw water conveyance between Bridledrift and Umzonyana, as well as treatment at Umzonyana; • Conveyance from Umzonyana to West Bank as well as Breezyvale route {gravity fed – feeds area below R72} <ul style="list-style-type: none"> • <u>Electricity</u> Upgrade Woodbrook industrial / new sub-stations, switch houses and associated lines • <u>Access</u> Upgrade of the road network Built the N2 bypass via Haven Hills and Buffalo Bridge to link the R72 coastal route.
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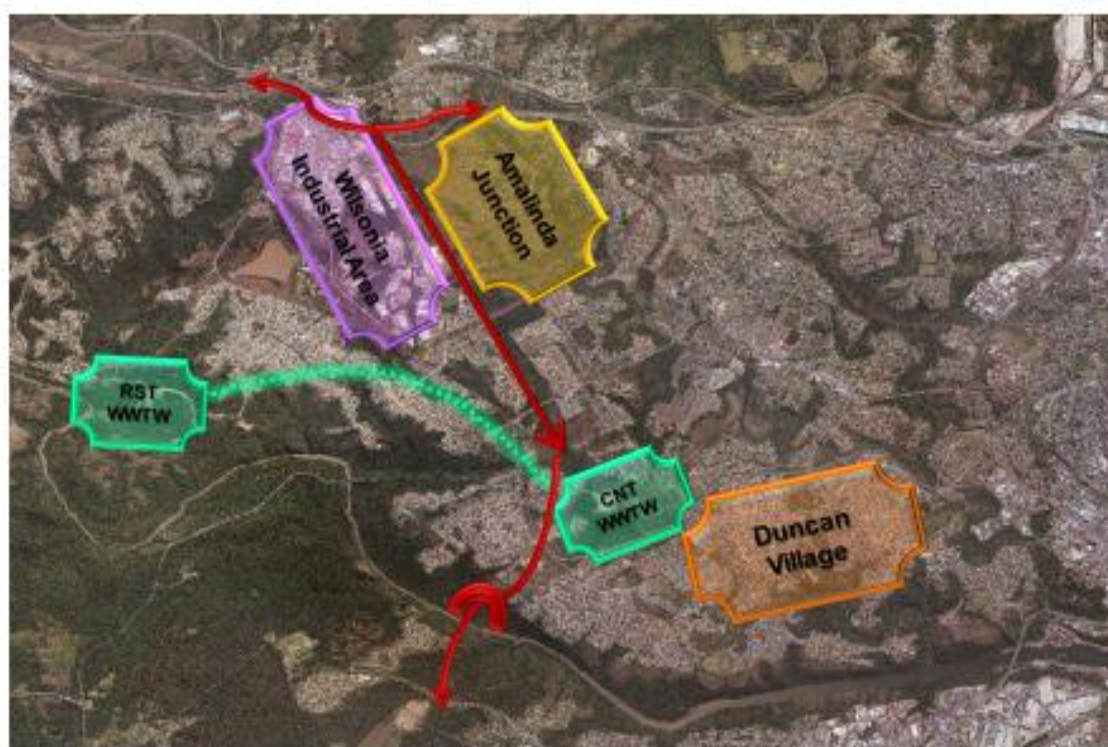
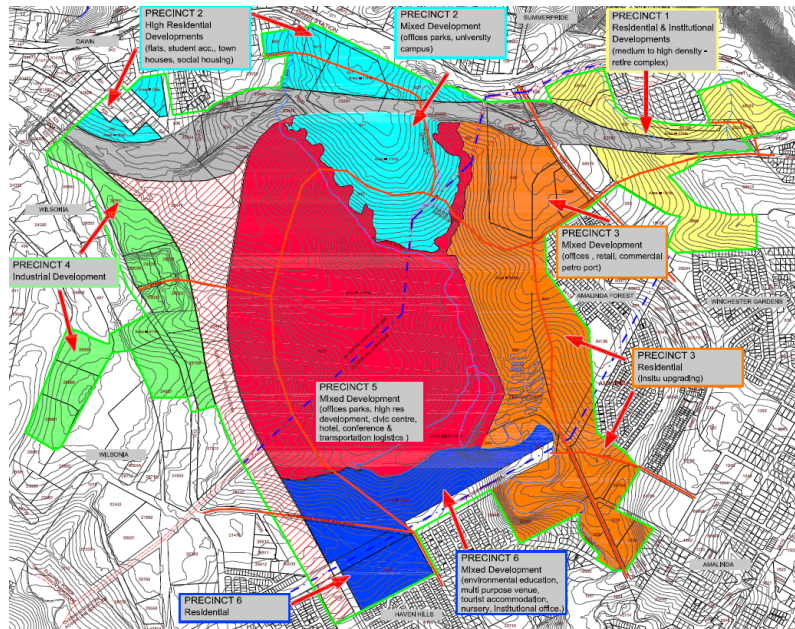


Figure C 14 : East London Catalytic Area of Development

Element	Description
East London Area	<ul style="list-style-type: none"> • The Central Treatment Works Diversion (Tunnel) to Reeston treatment works in order to create more capacity within the existing central urban areas such as Braelynn and Duncan Village. • The Amalinda Junction Greenfield site with potential high density mixed land use development. The following were some of the

potential land uses proposed for this area.

- Residential uses comprising a range of choices and densities;
- Institutional activities and organisations;
- Retail/Commercial activities;
- Office Park Estates;
- Environmental Centre for youth education;
- Conference/Wedding Venue;
- Industrial activities centred around the transportation potential and accessibility of the junction to the city, surrounding region and the Province;
- Aqua Culture centred on the exiting Fish hatchery;
- Open Space and Recreation;
- Sporting Facilities;
- University Education campus and associated Student Accommodation.



- The completion of the **Reeston Waste Water Treatment Works** to create capacity for the Reeston and other housing programmes.
- **Wilsonia Industrial Area** - Upgrading of municipal infrastructure i.e. roads, streetlights, refuse, environmental management. The development of a vibrant industrial park
- **Duncan Village** is an area where demand for temporary and permanent residential accommodation is exceptionally high. This fact can be considered a key aspect of the strategic importance of Duncan Village in the broader urban network within Buffalo City Metropolitan. Duncan Village is further prioritized by numerous

	<p>extremely dense informal settlements; and as a result of the existing high residential densities prevalent in Duncan Village, disasters have a devastating impact on a large number of residents, when they do occur. The redevelopment of Duncan Village is therefore considered a high priority for the Buffalo City Metropolitan Municipality (BCMM).</p> <p>Duncan Village can further be considered to be optimally located for many residents of Buffalo City Metropolitan, due to its close proximity to the East London CBD and the various industrial areas in and around East London. This represents an opportunity for the development of Duncan Village to meet the needs of its inhabitants, through addressing de-densification/densification and urban renewal within Duncan Village.</p> <p>The project requires the redevelopment of the entire Duncan Village i.e. residential units to be constructed, social amenities, recreational facilities, public transport, pedestrian movement, small & micro economic activities, informal trading of the area supporting infrastructure and economic job opportunities.</p> <p>In response to the enormous challenges posed by the task of transforming the precinct of Duncan Village into a healthy living environment that caters for the varying needs of its residents and that provides viable opportunities for people to establish a sustainable lifestyle in the city, the Buffalo City Metropolitan has embarked on the ambitious project known as the Duncan Village Redevelopment Initiative (DVRI). The project has been identified as a Mega Project by the National Department of Human Settlements.</p>
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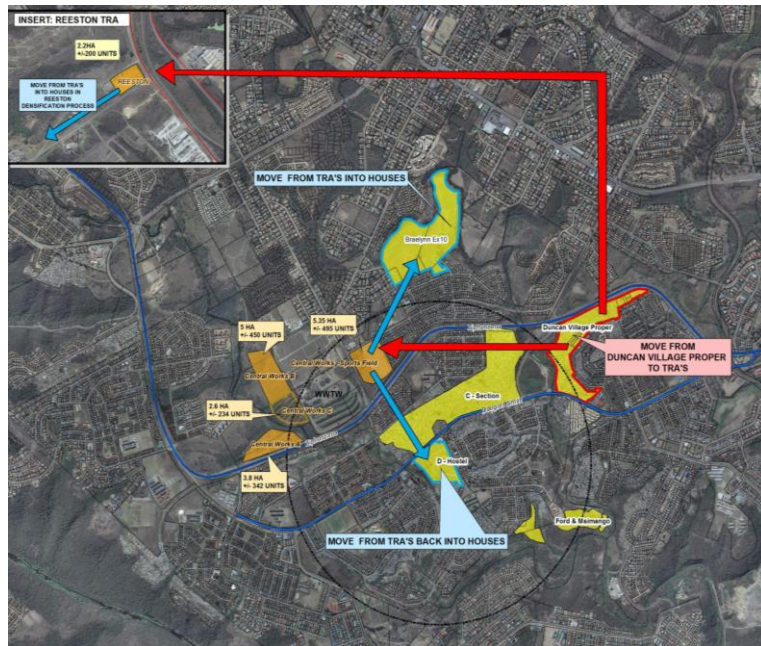




Figure C 15 : Southernwood and Belgravia

Element	Description
Quigney, Southernwood and Belgravia	<p>The redevelopment of the Quigney, Southernwood and Belgravia areas which are located peripheral to the CBD</p> <ul style="list-style-type: none"> • CBD-Peripheral Area • Area of good access to Transport routes • Existing high density development can be extended <p>Southernwood and Belgravia may be described as composite areas comprising non-residential land uses, including offices and commercial/retail complexes (largely located west of Gately Street), and a variety of residential dwellings, ranging from high density, multi-storey dwellings to single residential dwellings (mainly located east of Gately Street).</p> <p>Given its strategic location relative to the East London CBD and the burgeoning Commercial/Office district of Vincent/Berea, these areas are identified as having good potential for urban renewal, specifically aimed at prioritizing its residential component.</p> <p>The rationale behind such a move would be to use existing infrastructure to create an improved urban environment that has the potential to house people at relatively high densities in an inner city location. This would contribute towards meeting the strategic goal of prioritising the CBD area, but is also likely to lead to other positive</p>

	<p>outcomes, including: -</p> <ul style="list-style-type: none"> Increasing operating thresholds for business in the surrounding areas of the CBD and Vincent/Berea; Provide relatively high density housing areas for people seeking well-located accommodation with good access to areas of opportunity by maximising the use of existing buildings (including high-rise buildings) in need of rehabilitation; A Partnership Approach between the Buffalo City Metropolitan Municipality and local land owners/landlords in the area, which could set a precedent for further such partnerships in other parts of the Metropolitan Municipality.
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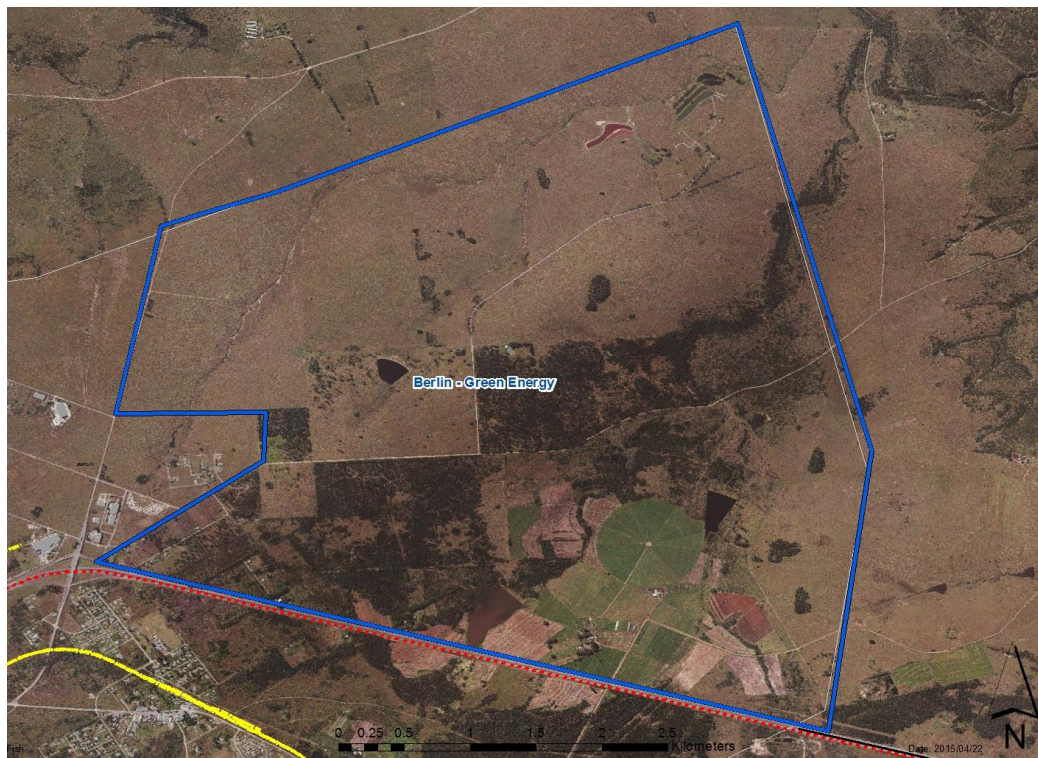


Figure C 16 : Berlin Development area

Western Zone : Key Areas and Nodes of Development	
Berlin Area	<p>The Berlin Green Energy hub with the development of a solar energy and horse racing track and complex. BCMM has made available approximately 800 ha of land to the East London IDZ for the development of a solar park that will generate 50MW of energy into the grid. BCMM is currently planning other potential alternative energy initiatives within the Berlin corridor as it has potential for green energy e.g. waste-to-energy at the regional waste site.</p>

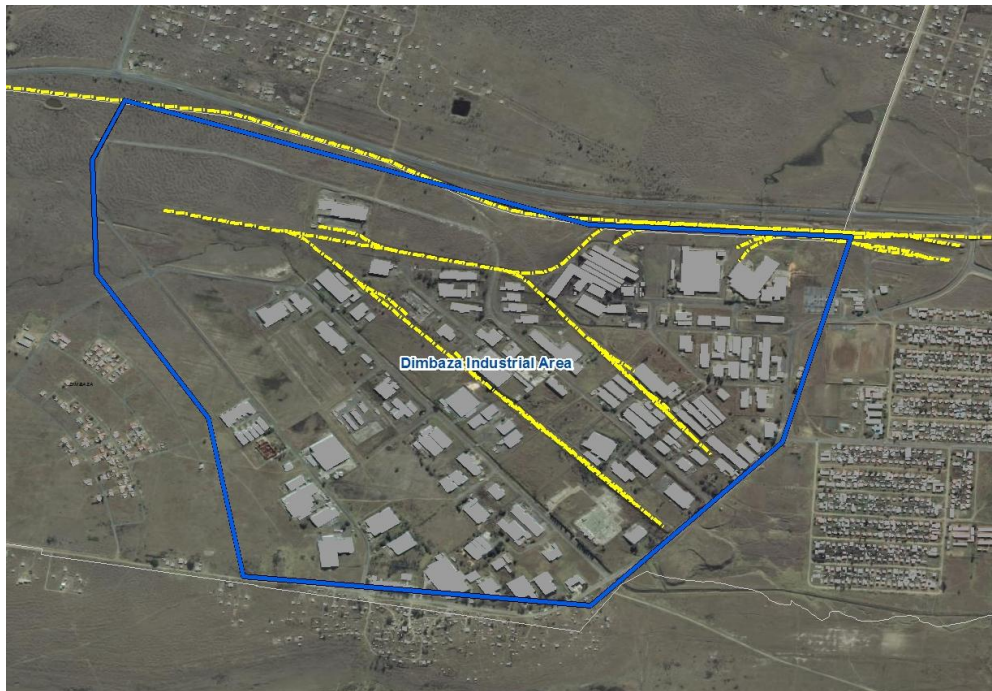


Figure C 17 : Dimbaza Industrial Area

Western Zone : Key Areas and Nodes of Development	
Dimbaza Industrial Area	<p>The Dimbaza Industrial Area has been identified in partnership with the Eastern Cape Development Corporation (ECDC) to review and identify alternative economic uses for the under utilized industrial area.</p> <p>A Feasibility study will be undertaken with the support of the DBSA and ECDC to investigate the economic potential of the industrial area. The area will require the augmentation of bulk infrastructure. The upgrade of municipal services e.g. roads, streetlights etc. The landscaping of the city entrance.</p>



Figure C 18 : Bulembu Airport

Western Zone : Key Areas and Nodes of Development	
Bulembu Airport	Bulembu Airport was upgraded in 2009 with a new control tower, security fencing and patrol road. The runway is 2500m x 45m. The airport is located in the center of the province ideally situated for cargo type of activities. Currently is is being used for training purposes and private flights. An air cargo strategy has been developed by Eastern Cape Department of Transport. There is land available for future development in a secure area.

C.4.2 Catalytic Projects by Integration Zone

The detailed information related to each catalytic area with the associated projects is contained in Annexure B.

Arising from the built environment trends, the following can be seen to be **major impediments** for the full realization of catalytic projects :

- The timing of the provision of services and amenities to be provided by other spheres of government to align with BCMM's development objectives
- The achievement of the total funding needed for holistic development including civic amenities and facilities such as parks, recreational areas, street lighting, tarred roads, schools and clinics.
- The general funding for bulk infrastructure including public transportation.
- The tendency for dependent communities to resist higher density development from the subsidy schemes

- The lack of interest of private sector investment shown thus far in municipal project areas
- The difficulties in achieving socio-economic integration in such areas and provision and take-up of a range of housing opportunities.

C.4.3 Proposed Adjustments to the Determination of Spatial Targeting Instruments

The Review of the Buffalo City SDF 2013 has proposed amendments and additions to existing Provisional Restructuring Zones (PRZs) and Urban Development Zones (UDZs) in Buffalo City, in order to facilitate the outcomes being sought as part of the overall imperative to promote spatial transformation.

C.4.3.1 Provisional Restructuring Zones

The existing and proposed future Provisional Restructuring Zones (PRZ) have been identified in the SDF Review 2013. These are zones where higher density social housing is encouraged and subsidised, and are legally gazetted.

The following PRZs are identified: East London Inner City comprising of Duncan Village, Chiselhurst, Belgravia, Southernwood, CBD, Sleeper Site and Quigney; Arnoldton/Reeston, Summerpride, Mount Ruth and King Williams Town. For a spatial representation of all the PRZ areas, refer to the Plans attached as well as Table C5 below, which depicts these areas within BCMM.

PRZ AREAS WITHIN BCMM		
REGIONAL LOCALITY	EXISTING PRZ AREAS	PROPOSED PRZ AREAS
King Williams Town	ERF RE/1, north of the N2 at the southern entrance to KWT (M9) ERF/RE 2270, along the Bhisho /N2 access road (R19)	KWT CBD and Transition Area (along Buffalo Rd) KWT – Bhisho Corridor
Mount Ruth		426-428, 1463-1477, 2053-2055
Mdantsane CBD		9756-9760, 9855-9861, 11291, 9864-9867, 10109, 9851, 9869, 10117, 9871-9873, 9786-9791, 9797 - 9801, 10133, 10121-10125, 10126-10131, 9805, 9933, 10390, 10418, 9990, 9803, 10436, 9807-9810, 9812, 10006 -10009, 9819-9821, 9846, 9814, 10012, 10011, 9872, 9971, 11336-11341, 10119, 9830 - 9833, 10432, 11359, 11343, 10433, 10015, 10104, 10106, 6465, 10105, 10107, 10118, 10110

Proposed PRZ areas in the metro :

PRZ AREAS WITHIN BCMM		
REGIONAL LOCALITY	EXISTING PRZ AREAS	PROPOSED PRZ AREAS
East London CBD		The entire CBD area, including Duncan Village Chiselmhurst, Belgravia, Southernwood, Sleeper Site, Quigney
Arnoldton/Reeston		67, 69-73, RE/84,99, 75, 92, RE/468, 24357, re/436, re/517, 27358, 129, 82-87, 90-93, RE/75, RE/74, 123,124, 53-58, 60-61, 125, 40-45, RE/ 58442, 120, 108, 36, RE/16, 122
Summerpride		32991 - 33024, 32970 - 32982, 32985 - 32988, 49576, RE/33227, 23092, RE/637, RE642, 48162, 48158, RE/637, 48154, 22436, RE/639, RE/200, RE 5152, 32094, 23047, RE/22462, RE/3890,48163, RE/4481, RE32093, RE/5152
Amalinda		Entire suburb

Table C.5 : PRZ Areas within BCMM

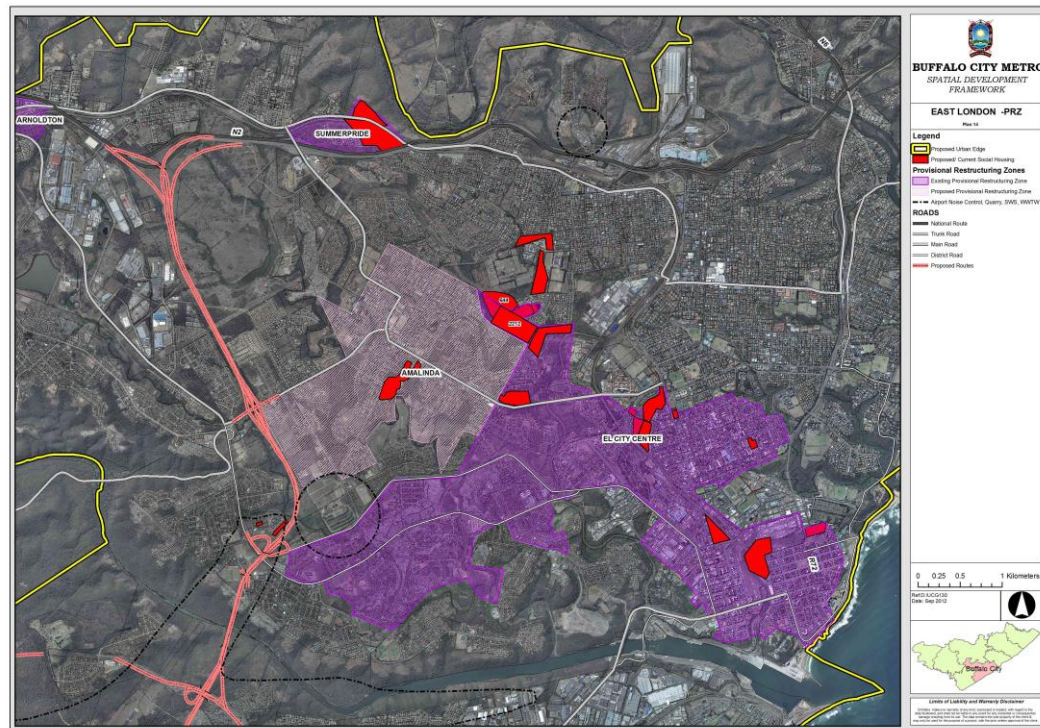


Figure C.19 : PRZ in Central East London Priority Area

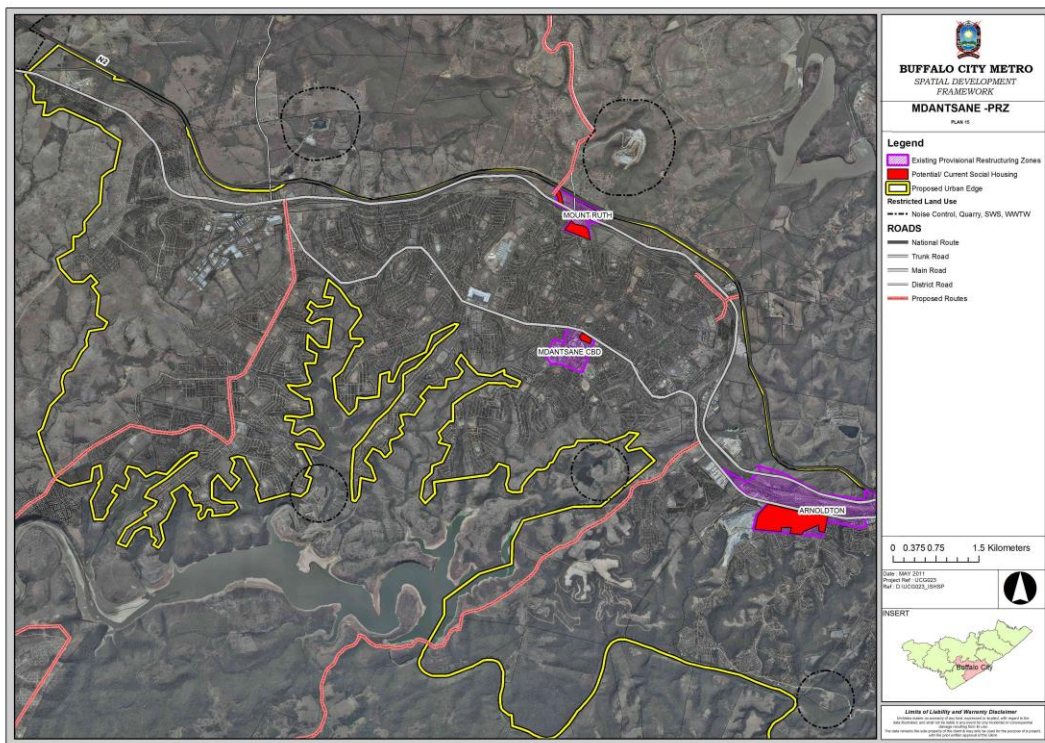


Figure C.20 : PRZ in Mdantsane Priority Area

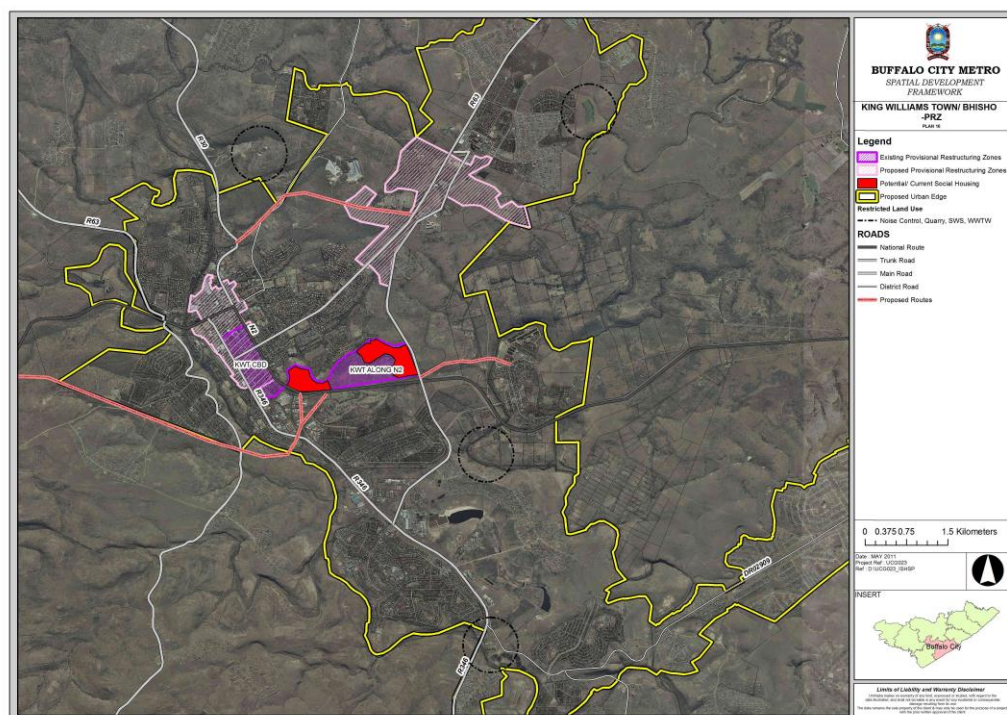


Figure C.21 : PRZ in King Willam's Town Priority Area

C.4.3.2 Urban Development Zones

Urban Development Zones are demarcated zones designed to stimulate investment in inner city areas in terms of the Urban Renewal Tax Incentive. The benefits of this incentive are to revive our inner cities, create more jobs and attract more people to live and work in these cities. For the refurbishment of existing buildings, investors are eligible to receive a 20% tax deduction in the first year of earning income, plus an annual depreciation of 20% over a four-year period. For new developments, this incentive offers a tax deduction of 20% in the first year, plus an annual depreciation of 5% for the next 16 years.

Following the identification of the Quigney and Central Beachfront area as an Inner City Urban Renewal Area in the Municipality's SDF in 2003, this areas was subsequently designated an Urban Development Zone in terms of Government Gazette Number 27077, dated 10 December 2004.

The SDF Review of 2013 has further proposed the following areas for designation as UDZs: King Williams Town CBD, Southernwood, Quigney and a section of East London CBD.

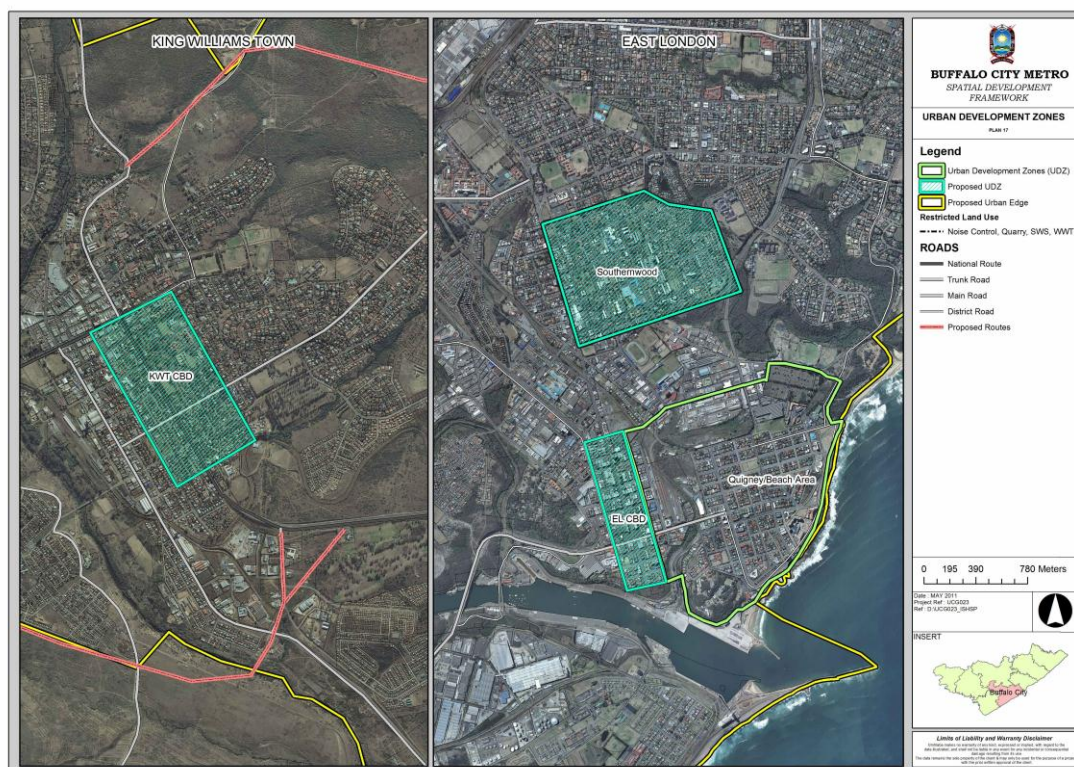


Figure C.22 : UDZ in Central East Londong and KingWilliam's Town Priority Areas

C.4.3 Details Relating to the Review of the BCMM SDF and Proposed Amendments to the Land Use Management Scheme

As noted above, the Review of the Buffalo City SDF in 2013 introduced a process to align the SDF with the (then emerging) policy direction that has now crystallised into the CSP and Urban Network Strategy.

In terms of the approach to incentivise and support the preferred outcomes of densification and intensification of land use in specified areas (the East London CBD and other hubs, nodes and Integration Zones identified in the SDF), the SDF proposes that the Buffalo City Zoning Scheme be amended and updated to make provision for mechanisms that would encourage such outcomes.

At the outset, mechanisms that are to be contemplated include the application of preferential parking ratios in relation to certain types of (preferred) land developments within designated Integration Zones or more locally defined nodes etc. other measures to be assessed would also include permitting deviations from minimum density restrictions and extending the limit on the number of dwelling units to be permitted within certain types of zones in such areas.

There are three key objectives that guide the revision of the Zoning Scheme:

- Densification;
- Mixed Land uses; and
- Upgrading of Urban Renewal areas.

The Zoning Scheme should be amended in line with the spatial vision and principles of BCMM SDF in particular the Zoning Scheme must be formulated to promote the concept of densification. The Zoning Scheme review should take into consideration and include the future setback lines of the BCMM Coastline. Greater control should be exercised over land use management to prevent the proliferation of illegal uses. A land use compliance Policy or bylaw should be formulated based on the following:

The signage bylaw needs to be reviewed to ensure alignment with LSDF's.

The following Land Use Management Guidelines, are applicable:

LAND USE MANAGEMENT GUIDELINES (SUMMARY)				
No	Zone	Definition/objective	Proposed Permissible Land Uses & Activities	Proposed Development Controls/Guidelines
1	Nodes/Urban Areas	<p>Nodes encompass the designated first and second order nodes. First order nodes are the most urban and extensively developed areas, of a 'seaside resort' nature, such as Sunrise on Sea. Second order nodes are less developed and less urban in nature, being more focused on 'family holiday' tourism and recreation facilities, provided by both the development and the environment.</p>	<ul style="list-style-type: none"> • Rural Areas: Transport interchanges, shops, government and municipal satellite offices, retail outlets and social facilities • Second order nodes: Tourism cottage settlements, smaller cluster complexes and family hotels may be developed. B&B's, Lodges and small Shops. • Densities: <ul style="list-style-type: none"> <input type="checkbox"/> First order Nodes 80 du/ha <input type="checkbox"/> 50 du adjacent to activity street <input type="checkbox"/> 10 - 20 du/ha elsewhere 	<p>Infrastructural requirements: Infrastructure and service provision should be designed to accommodate increasing use by tourism developments and local communities within acceptable carrying capacity limits.</p> <p><u>Access-</u> Usually on main road – gravel to be upgraded to tar, where possible. Suitable pedestrian paths to beach etc. to be provided;</p> <p>Appropriate bulk services to be provided by municipality</p> <p>Electricity supply and Telkom lines where possible.</p> <p>Carrying Capacity: To be determined for each node and not to be exceeded (constraints to include facilities, bed numbers, day visitors etc.).</p> <p>Building code: Cottage-type architectural vernacular to be encouraged/enforced, minimum set-backs to be encouraged, developments not to disturb/break existing views tree lines (i.e. height restriction – possible max 2 storey)</p>
2	"Limited Development" Zone	<p>Areas that fall within the "limited development" category, but not within the No Development Zone are areas where there can only be low intensity, environmentally and culturally sensitive development. Development should protect and promote environmental, cultural and landscape integrity.</p>	<ul style="list-style-type: none"> • Limited and regulated tourism activities. • Small accommodation facilities that are low-key, low-impact and in harmony with the natural environment. • Controlled low-density residential housing development. • Agricultural activities. • Infrastructure other than eco-tourism facilities and 	<p>Infrastructural requirements: Access along existing roads into areas, No roads parallel to the beach.</p> <p>Suitable service infrastructure to cater for eco-tourism developments.</p> <p>Carrying Capacity: To be determined for each development constrained by agreed carrying capacity and sense of place statement Ecological, social and quality of experience criteria to apply. Number of people visiting remote areas to be restricted to preserve the quality of the experience.</p>



LAND USE MANAGEMENT GUIDELINES (SUMMARY)				
No	Zone	Definition/objective	Proposed Permissible Land Uses & Activities	Proposed Development Controls/Guidelines
		Land use in this zone must be compatible with the relevant provisions of Coastal Zone Management Policy and the provisions of the Land Use Management Guidelines. These zones should act as a buffer zone between the nodes and Conservation Areas.	<p>residential use (such as schools and retail offices) to be discouraged.</p> <ul style="list-style-type: none"> • Full IEM procedures to precede any development. • Environmental Guidelines for Development as contained in Section 7.5.3 to be complied with. • Density: 2 du/ha (excluding hotels). • Building footprint 200 m². • Subdivision: Max. Size – 1500 m². 	<p>Building code: Use of natural/local material where possible, blending in with the natural environment. 1 storey only. Minimal development/building footprint to be enforced. Facilities to be tailored to the specific characteristics of the local geographical area.</p>
3	No Development Zone	<p>These comprise the designated Nature Reserves, coastal forest areas, estuaries, river banks and steep slopes (1 in 5 or greater)</p> <p>Essentially a "No physical Development" zone to protect & conserve biophysical environment, as well as to preserve areas of outstanding natural beauty/scenery/sense of place.</p>	<ul style="list-style-type: none"> • Regulated through DEAET and co-management arrangements and EMPs. • Controlled subsistence harvesting in line with Environmental Management Plan. • <u>No permanent physical structures.</u> • No development other than eco-tourism and soft-adventure activities. • Environmental Guidelines for Development as contained in Section 7.5.3 to be complied with. 	<p>Infrastructural requirements: Access along existing paths/trails only. No tar roads permitted. No bulk services /servitudes.</p> <p>Carrying Capacity: to be determined for each development.</p>



LAND USE MANAGEMENT GUIDELINES (SUMMARY)				
No	Zone	Definition/objective	Proposed Permissible Land Uses & Activities	Proposed Development Controls/Guidelines
Rural Zone	Areas situated beyond the urban edge, the limited development zone, around the rural tourism nodes and service centres.	<ul style="list-style-type: none"> • Agricultural uses • Conservation, nature reserves, special uses, and private open space. • Environmental Guidelines for Development as contained in Section 7.2.3 to be complied with. • Tourism accommodation and resort development (refer to G.3.2 and G.3.3) • Building Footprint <ul style="list-style-type: none"> ▪ Holiday 100 m² ▪ Ownership 200 m² • Subdivision max. size of erven <ul style="list-style-type: none"> ▪ Holiday 1000 m² ▪ Ownership 1500 m² • Densities – refer to Tables 	Infrastructure Requirements: <ul style="list-style-type: none"> • Existing access to be utilised where possible • Infrastructure to be self-sustaining • National Building Regulations apply 	

Table C 6 : Land Use Management Guidelines

C.4.5 Development Strategies for Integration Zones

The further detailing of strategies in relation to spatial development within each of the Integration Zones/Priority Areas is undertaken in terms of Local SDF and/or Precinct Plans. These LSDFs cover the majority of land areas comprising the Priority Areas (Integration Zones) as follows: -

- Mdantsane LSDF
- King William's Town – Bhisho LSDF
- NE Mdantsane Framework Plan
- Kwelera LSDF
- Duncan Village LSDF
- West Bank LSDF
- Central Beach LSDF
- Gonubie Main Road
- Quenera LSDF
- Bonza Bay Rd LSDF
- Vincent Berea LSDF
- Mount Coke Dimbaza LSDF
- Mount Ruth Node
- Arnoldton Node
- Urban edge study

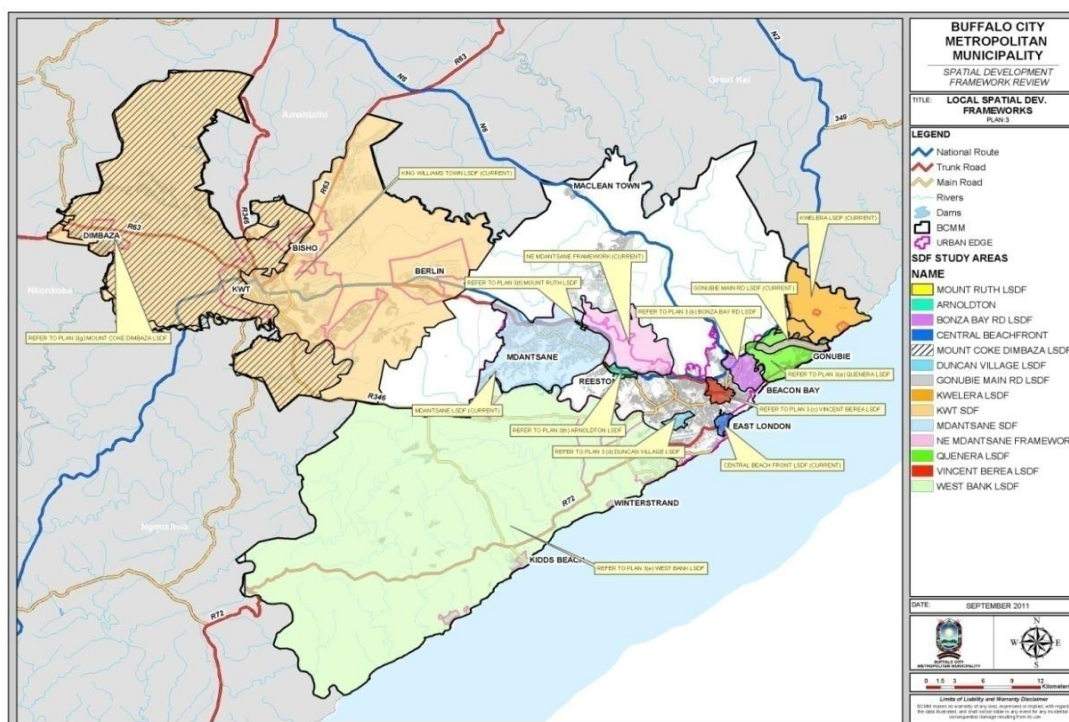


Figure C.23 : Local LSDF and Precinct Plans completed in Buffalo City

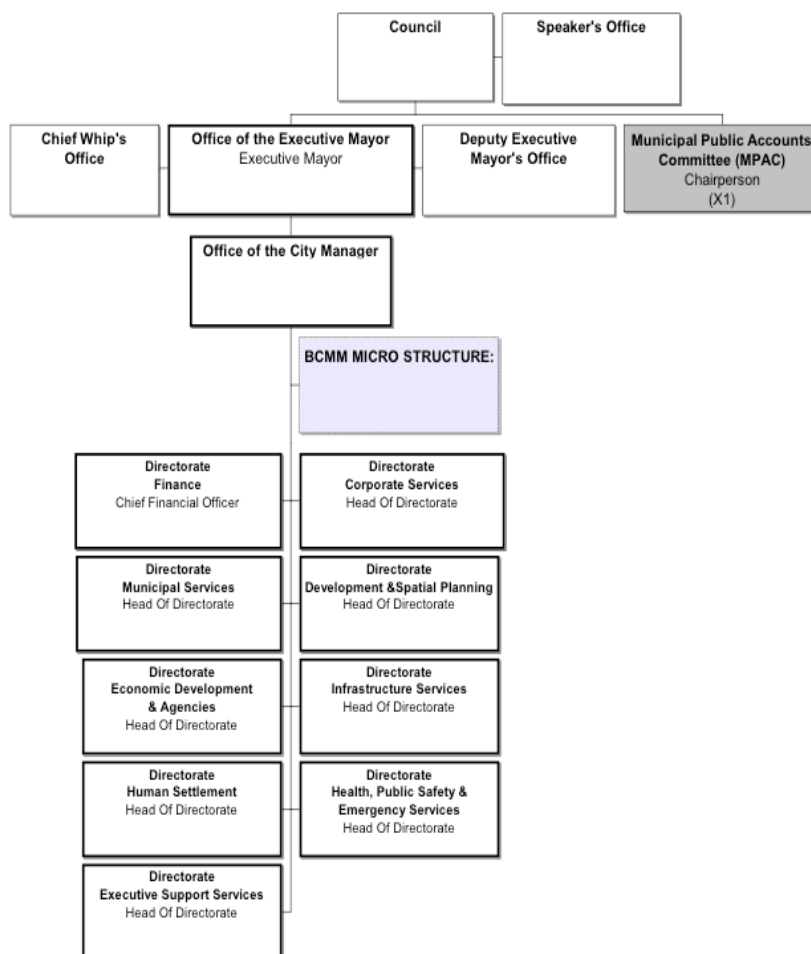
Buffalo City Metro intends to utilise the Integrated City Development Grant (ICDG) during the 2015/2016 financial year for the preparation of precinct and detailed plans for the King William's Town CBD area and the East London CBD / inner city area.

C.4.6 Institutional Arrangements to Ensure Sustainability of Integration Zone Interventions

One or more 'Special Vehicles' to be called the Joint Operations Committees (JOC) will be established and will function on a programmatic basis to ensure that cross-organisational and inter-governmental processes are sustained in the planning and implementation of Integration Zone interventions.

These JOCs will be based within the context of the newly adopted BCMM Organisational Structure, as illustrated below: -

BUFFALO CITY METROPOLITAN MUNICIPALITY ORGANIZATIONAL STRUCTURE



C.4.7 Proposed Time Frames Relating to Key Catalytic Projects & Programmes

The time frame associated with the various catalytic projects discussed under item C.4.4 varies from on going e.g. Reeston Treatment Works, Sleeper Site etc. to the next MTREF period (2015 - 2018) and some even planned for the medium to long term i.e. 10 - 20 years.

However, it must be noted that for certain projects there are some preconditions that must first be met e.g. access to state land, before the actual project can commence. Refer to Annexure C for a detailed list of project budgeted for the MTREF period of which some are of catalytic nature for the city.

SECTION D

Built Environment Transformation: Outcomes and Outputs



D.1 Built Environment Indicators: Summary of Anticipated Outcomes and Outputs

Urban Settlements Development Grant (USDG) & Human Settlements Development Grant (HSDG)

The development of integrated human settlements for the metro during the 2014/2015 financial year prioritised the following outputs :

Sector		Output 2014/2015
Human Settlement Development	Number of dwelling units developed	1500
	Number of sites serviced	1700
	Number of households in informal settlements upgrades with services (in-situ / relocated)	1700
	Number of informal settlements with upgrading plans	32
Transportation	Gravel roads rehabilitated	150 km
	Surfaced roads resealed	20 km
	Roads resurfaced / rehabilitated / maintained	1200 km
	Stormwater drainage installed	20 km
	Pedestrian walkways constructed	2 km
	Bus / taxi terminals constructed	1
	Bus / taxi terminals stops constructed	1
Water	Water service points installed in informal settlement within 200m radius	15
	Additional households (RDP) provided with water connection	150
	Backlog in the number of consumer units provided with a basic level of potable water above RDP standards	160
	Number of units provided with access to free basic level of potable water by means of individual household supply or standpipe with 200m	950
Sewerage	Number of formal domestic customers receiving sewerage services	2000
	Number of new sanitation service points installed for informal settlement dwellers.	1 332
	Number of additional households (RDP) provided with sewer connections	3 014
	Reduction of backlog in the provision of basic sanitation services (above RDP standards)	58 450
Solid Waste Management	Number of households with weekly kerb-side waste removal services in formal areas	143 000
	Number of households in informal settlements with access to refuse removal	1700
	Number of additional households (RDP) with access to refuse removal	1500
	Number of waste minimisation projects initiated	10

	Backlog of kerb-side refuse removal service to consumer units	4 areas per week
Electricity	Number of informal households with access to basic electricity	700
	Number of high mast lights installed in informal settlements	5
	Number of streetlights installed in new settlements	350
	Number of additional households (RDP) provided with electricity connections	1000
Socio-Economic Amenities	Number of community halls developed	1
	Number of sport fields and stadia developed	6
	Number of parks developed	10
	Number of community swimming pools developed	2
	Number of cemeteries developed	3
	Number of fire safety and emergency facilities developed	1
Job Creation	Number of jobs created under Expanded Public Works Programme & other municipal programmes	9 900

Table D 1 : Outcome & Outputs for USDG 2014/2015

Neighborhood Development Partnership Grant (NDPG)

R20m is provided in the 2015/2016 financial year for capital investment in the Mdantsane CBD / Urban Hub area. An additional amount of R20m and R25m for the 2016/2017 and 2017/2018 financial years respectively have been Gazetted in terms of the the DoRA, 2015. The funding will be spent in accordance with the guidelines from NDP and the concept plan for the Mdantsane CBD area.

D.2 High Level Development Objectives and Desired City-wide Outcomes

Through strategic planning sessions, leadership of the municipality has refined the Vision and Mission of the institution to be more robust, comprehensible and realistic, thus making it a useful instrument in guiding the actions of the City, its citizens and key stakeholders in the development process.

A long term Vision and Mission of Buffalo City Metropolitan Municipality is to be

“a responsive, people centered and developmental City” which:

- Promotes a culture of good governance;
- Provides effective and efficient municipal services;
- Invests in the development and retention of human capital to service the City and its community;
- Promotes social and equitable economic development;
- Ensures municipal sustainability and financial viability;
- Creates a safe and healthy environment; and



- Places Batho Pele principles at the centre of service delivery

Buffalo City Metropolitan Municipality espouses the following values as committed to serving its communities and providing services in a manner that is consistent with these:

- Integrity
- Good Governance
- Transparency
- Accountability
- Fairness and equity
- Professionalism
- Loyalty
- Service Excellence
- Respect for cultural diversity
- Unity of purpose
- Ubuntu

Emanating from a situation analysis undertaken towards development of the IDP, Buffalo City Metropolitan Municipality identified a number of challenges and constraints which impact on the way in which the municipality functions and fulfils its mandate as per section 152 of the South African Constitution.

In response to highlighted challenges and constraints, the City has identified nine strategic focal areas and crafted six strategic objectives to the guide its developmental trajectory towards realization of the vision. BCMM's six long-term strategic objectives are as follows:

- BCMM 1:** *To be a financially sound organisation that efficiently manages its resources;*
- BCMM 2:** *To be an institutionally efficient and effective City that inclusively works with communities;*
- BCMM 3:** *To generate an enabling environment for an economy that is growing, diversifying, generating increasing number of sustainable employment opportunities and contributing to increased incomes and equality;*
- BCMM 4:** *To deliver sustainable infrastructure that support social and economic development;*
- BCMM 5:** *To be a well-structured and capacitated institution that renders effective and efficient services to all by 2016*
- BCMM 6:** *To enhance and protect all environmental assets and natural resources within Buffalo City Metropolitan Municipality by 2016*

The Metro has aligned the key strategic objectives and will strive to attain them within the context of the five key local government performance areas. Taking into account the prevailing economic environment and global factors that impact on development, the City has made significant inroads into addressing key development challenges within the municipality. There is however, more work to be done towards responding to the identified focal areas.

Over the next five-year term the City will concentrate on the nine strategic focus areas outlined below.



- **Institutional Restructuring and Stabilisation**

Buffalo City Metropolitan Municipality recently completed the micro-structure for the administration. This entails filling of posts on the approved macro-structure i.e. the City Manager and Section 56 Managers.

The medium to long-term objective of the Metro is to promote organisational efficiency through the capacitation of staff and establishment of systems to enable staff to effectively perform their duties and align with the new Metro functions.

- **Improving Intergovernmental Relations**

Section 41 of the South African Constitution of 1996 outlines the principles of co-operative government and intergovernmental relations, thus providing a broad framework for how the different spheres of government should interface. Section 4 of the Intergovernmental Relations Framework Act 13 of 2005 goes further and stipulates that the object of this act is to provide a framework for the national government, provincial governments and local governments, and all organs of state within those governments to facilitate co-ordination in the implementation of policy and legislation. The Act further requires establishment of provincial and district intergovernmental forums to promote and facilitate IGR between provinces, district and municipalities.

Section 3 of the Municipal Systems Act 32 of 2000 (as amended) also defines how local government must develop co-operative approaches to governing, resources sharing and resolution of disputes within the context of Intergovernmental relations.

Notwithstanding the above legislative provisions, intergovernmental relations between BCMM and other spheres of government still leave much to be desired, as they are still characterised by uncoordinated:

- Alignment of planning and implementation;
- Inter-sphere co-operation and co-ordination;
- Information sharing on development programmes and projects;
- Participation in platforms meant for engaging and co-operating; and
- Approach to engaging and consulting with communities.

A step in the right direction towards improving intergovernmental relations has been the establishment of the BCMM Intergovernmental Relation Forum last year.

- **Building Citizen Confidence**

A number of factors account for low citizen confidence in the municipality such as a poor service delivery track record, perceived administrative and political instability and unfavourable audit findings by the Auditor General. Negative media coverage has also largely contributed to a low level of citizen confidence in the City.

Reversing the trend and building citizen confidence will require a concerted effort on the part of the Metro. It will also require the inculcation of a renewed work ethic from all who

wear the name and brand of the municipality as well as the application of good governance and management principles, dedication and professionalism.

- **Bridging the Digital Divide**

The Digital Divide refers to any inequalities between social groups in terms of their access to, use of, or knowledge of information and communication technologies. The divide within the municipal area refers to inequalities between individuals, households, businesses, and geographic areas at different socioeconomic and other demographic levels. Being a largely rural Metro the divide manifests itself in terms of the dichotomy between urban and rural areas with regard to access to telecommunication and IT systems.

A key objective of the Metro is to ensure that telecommunication and IT systems become internationally compatible, thus facilitating access to broadband and/or other state-of-the-art technologies for citizens of the City and region.

- **Improving performance, compliance, processes and systems**

Some of the weaknesses that negatively impact on the performance of the Metro relate to disintegrated systems, internal control deficiencies, lack of staff with requisite capacity, a spatially fragmented workforce as well as lack of clearly defined processes and systems.

- Develop mechanisms for the accurate complete reporting of financial information as required by NT and Accounting Standards.
- Develop mechanisms to ensure that SCM operations are conducted strictly in accordance with legislated requirements.
- Provide for the migration of existing records and the capturing of current records within a single repository in accordance with standards prescribed by the Archives Act and other relevant Acts and to ensure that such records can be retrieved for future use.

- **Build Sustainable Communities**

The focus over the past years has been on delivering basic needs and housing. In spite of the remaining backlogs major strides have been made in this regard. However, there still remains a huge challenge in terms of ensuring that we do not just deliver houses but create integrated and sustainable settlements.

The challenge is not only about providing basic services and housing, but is also about 'building sustainable human settlements' where residents have access to social and community facilities, economic opportunities, a healthy and sustainable environment and where opportunities can be accessed through convenient public transport and a safe road network.

Integral to the creation of 'sustainable human settlements' is, integrated planning and implementation. The Metro is currently in the process of reviewing its IDP, which will guide future investment and development.

Creation of integrated and sustainable human settlements will directly contribute towards building of strong and integrated communities that manifest resilience against social, economic and natural adversities.



D.3 Projected Outcomes and Impact per Integration Zone

The Built Environment Performance Plan is a crosscutting plan which encompasses most of the activities of the Metro and gives direction to the decision-making of Council on strategic and catalytic projects for the MTREF period in order to achieve sustainable development. Consequently, it must be viewed as a key strategic document and embraced both at the political level as well as the technical level.

The projected outcomes and impact for the BCMM Integration Zone can be summarised as follows :

- The spatial targeting of investment towards a more efficient and sustainable urban environment.
- To promote integrated spatial development through coordinating the implementation of catalytic land development, housing, transport and infrastructure investments.
- To achieve greater coordination across sector programmes; crowd in investment, scale up impact and over time build a more spatially inclusive and efficient city.
- To achieve greater densities and mixed land use along the major corridors linked to a public transport system for the metro.
- To have the required bulk infrastructure capacity to support the implementation of integrated human settlements and promote the required economic growth of the city.



SECTION E

Institutional & Financial Arrangements



E.1 Institutional Arrangements for Integrated Planning

Integrated planning finds its expression during the preparation of the Integrated Development Planning process of the Metro. Various platforms have been created on an administrative and political level to ensure coordination and alignment of projects and processes.

The Technical Working Group for the IDP, Budget and Performance Management System (PMS) is chaired by the Municipal Manager with the various Directors and the technical leaders of the different Clusters. The tasks of the Working Group are to:

- provide technical oversight and support to the IDP/ Budget review and implementation thereof;
- consider and advise on IDP/ Budget content and process;
- ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues
- ensure sector and spatial co-ordination and alignment
- ensure IDP & budget linkage
- ensure Performance Management is linked to the IDP
- ensure the organisation is oriented towards implementing the IDP
- ensure time-frames set for the review are met.

Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical as they provide technical and sectoral expertise and information, throughout the IDP Budget process. Secondly to ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked, and aligned with and satisfies sector planning requirements.

The Senior Management Committee chaired by the Municipal Manager has a responsibility to track programmes and projects performance through the assessment of the following reporting mechanisms:

- Service Delivery and Budget Implementation Plan (Quarterly)
- Section 71 reporting (Monthly)
- Monthly departmental reports to the SMC
- Risk Management Committee Reports

Standing committees are established per functional area and comprise of executive and non-executive councillors. The committees are established to ensure checks and balances between the administration (executive) and council (legislative).

In line with the recommendations of the Association of Public Accounts Committees and the national department of Cooperative Governance and Tradition Affairs, the municipality has established a Municipal Public Accounts Committees to exercise overall oversight responsibility on the financial affairs of the municipality. This will inter alia, have a strong component on the



assessment on the implementation of the BEPP as pivotal capital investment programme of the municipality.

The Risk Management Committee have been established and all project risks have been aligned with the IDP and the Budget process.

The Audit Committee is an essential and independent committee established by council. Operating within the provisions of section 166 of the MFMA the committee will endeavour to advise the Council, the political office bearers and the accounting officer on the matters affecting the financial affairs of the municipality.

The Mayoral Committee chaired by the Executive Mayor has a responsibility to ensure executive oversight over the administration. It receives reports and assesses the performance of the administration. The committee also takes decisions on the appropriation and adjustment of appropriations of resources (including the BEPP) as part of the budgeting processes.

In terms of the provisions of section 72 of the MFMA, the Executive Mayor can take corrective action or punitive action where the administration has not performed in accordance with expectations.

E.2 Institutional Arrangements for Capital Programme Management

The institutional responsibility for the implementation of the capital programme will mainly be within the Directorate of Infrastructure Services, Directorate of Human Settlements and the Directorate of Municipal Services. BCMM has a newly approved Micro-structure which will more effectively support the implementation of the capital programme of the city. Within the Directorate of Infrastructure Services a new Department will be established and responsible Project Implementation Unit and construction.

Central to the successful implementation of the BEPP, the IDP and the budget will be the establishment of a new Human Settlements Department. This new Department will ensure proper co-ordination and integration of the Municipality's development and planning activities, budget planning, allocations and expenditure on a more strategic basis. This structure necessarily has to be multi-disciplinary and overarching in nature.

BCMM has established an Enterprise Project Management Office (EPMO) located within the Office of the City Manager. The EPMO acts as the single point of control for the initiation and management of projects within the Municipality. It provides structure, management and oversight to all projects in the municipality, and facilitates the organisation in planning and prioritisation of its projects.

Lastly, the EPMO will consolidate all project information for the municipality in order to provide Management and Council with a strategic overview of the milestones and progress on all approved projects. Thus, the EPMO provides an independent technical advisory support function to the City Manager in order to enhance service delivery and expenditure performance of BCMM.

E.3 Supply Chain Management and Procurement Plan

E.3.1. Supply Chain Management

The Buffalo City Metropolitan Municipality adopted the Revised Supply Chain Policy on 30 October 2013 (Council Minute Number BCMC 458/13)

RESOLVED:

That the Council ADOPTS the Revised 2013 Buffalo City Metropolitan Municipality Supply Chain Management Policy as required by Municipal Supply Chain Management Regulations (3) (b) of the Municipal Management Act. No.32 of 2003.

The Purpose of this policy is to ensure sound, sustainable and accountable supply chain management practices within the Buffalo City Metropolitan Municipality, whilst promoting broad based black economic empowerment as a priority in terms of the goals and objectives of the municipality's preferential procurement policy and other empowerment strategies.

This policy will also strive to ensure that the objectives for uniformity in supply chain management systems between all organs of state is not undermined, and that consistency with national economic policy on the promotion of investments and doing business with the public sector is maintained.

The **objectives** of this policy are:

- To give effect to Section 217 of the Constitution of the Republic of South Africa;
- To implement a policy that is fair, equitable, transparent, competitive and cost effective;
- To comply with all applicable provisions of the Municipal Finance Management Act;
- To ensure consistency with all other applicable legislation

In order to create an environment where business can be conducted within integrity and in a fair and reasonable manner, the policy provides that all representatives of the Municipality involved in supply chain management activities shall act with integrity and in accordance with the ethical standards set out in the policy.

BCMM has a Budget & Treasury Office, a Supply Chain Management Unit and an Internal Audit Unit. The new approved Micro-structure caters for fully capacitated units as



benchmarked against other Metros. Funding of a fully capacitated micro-structure will prove a challenge.

E.3.2. Procurement Plan

In terms of the Revised Supply Chain Policy adopted in October 2013 by Buffalo City Metropolitan Municipality, the accounting officer must establish and implement an appropriate demand management system in order to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.

The demand management system must -

- include timely planning and management processes to ensure that all goods and services required by the are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
- take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
- provide for the compilation of the required specifications to ensure that its needs are met.
- To undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

E.4 Partnerships

BCMM has signed a Service Level Agreement with the Housing Development Agency in order to fast-track and support BCMM in the donation and acquisition of state owned land.

Currently, no other public-private partnerships in terms of the legislation are in place. The Buffalo City Development Agency (BCDA) is in the process of being re-established and has appointed a Board but is not yet fully operational. The mandate of the BCDA in terms of the area of operations are under discussion with the metro.

E.5 Value of Programmes and Projects by Sector

The overall value of programmes and projects by sector is outlined in the Tables below. The programme and project details will continue to be refined by the metro for areas such as the Integration Zones, CBD, Hubs and activity corridor. The projects per service is attached under Annexure C.



2014/2015 - 2016/2017 CAPITAL BUDGET PER SERVICE			
Services	2015/2016 Approved Capital Budget	2016/2017 Approved Capital Budget	2017/2018 Approved Capital Budget
Water	91 000 000	91 000 000	91 000 000
Waste Water	258 055 969	137 000 000	293 298 430
Electricity	158 500 000	171 500 000	111 500 000
Roads and Stormwater	265 000 000	180 000 000	224 900 000
Housing	211 424 000	323 359 685	386 579 685
Transport Planning	68 220 661	163 611 051	225 022 000
Waste Management / Refuse	21 710 100	15 412 415	1 000 000
Amenities	72 493 500	41 750 000	84 785 000
Public Safety	21 650 000	28 540 000	22 655 000
Support Services	59 300 000	64 091 000	50 329 000
BCMM Fleet	48 000 000	18 000 000	30 000 000
Total	1 275 354 230	1 234 264 151	1 521 069 115

Table E.1 : 2015/2016 – 2017/2018 Capital Budget per Service

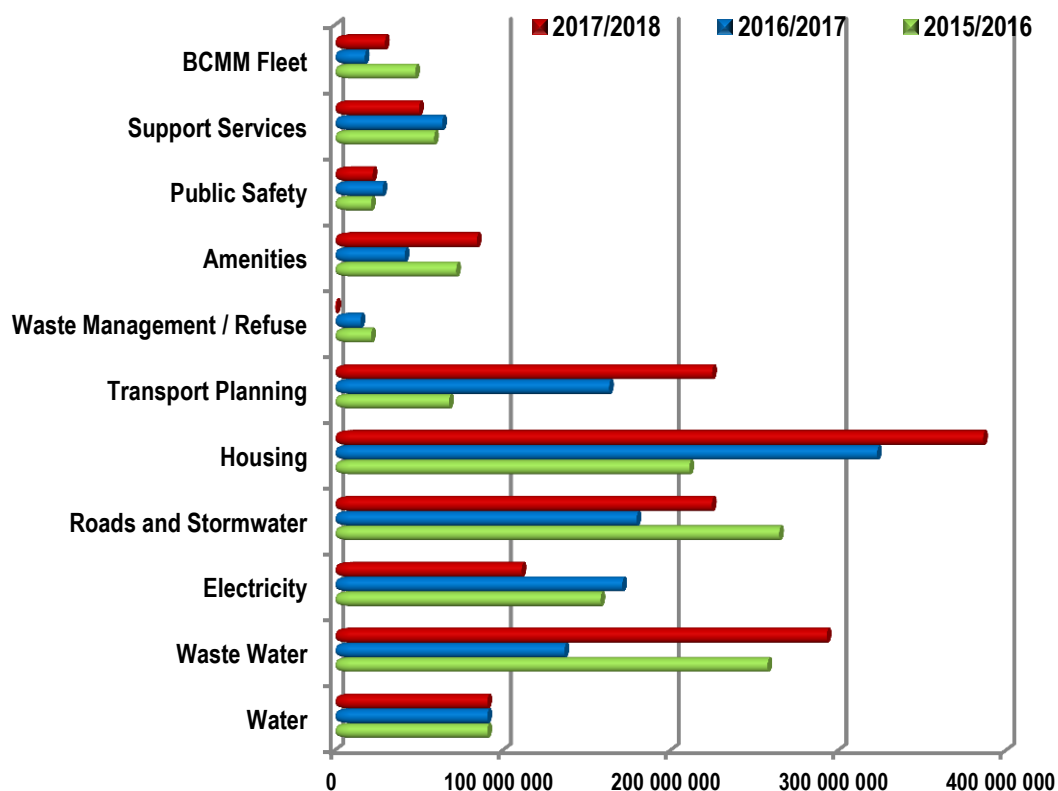


Figure E.1 : 2015/2016 – 2017/2018 Capital Budget per Service

E.6 Value of Programmes and Projects per Integration Zone

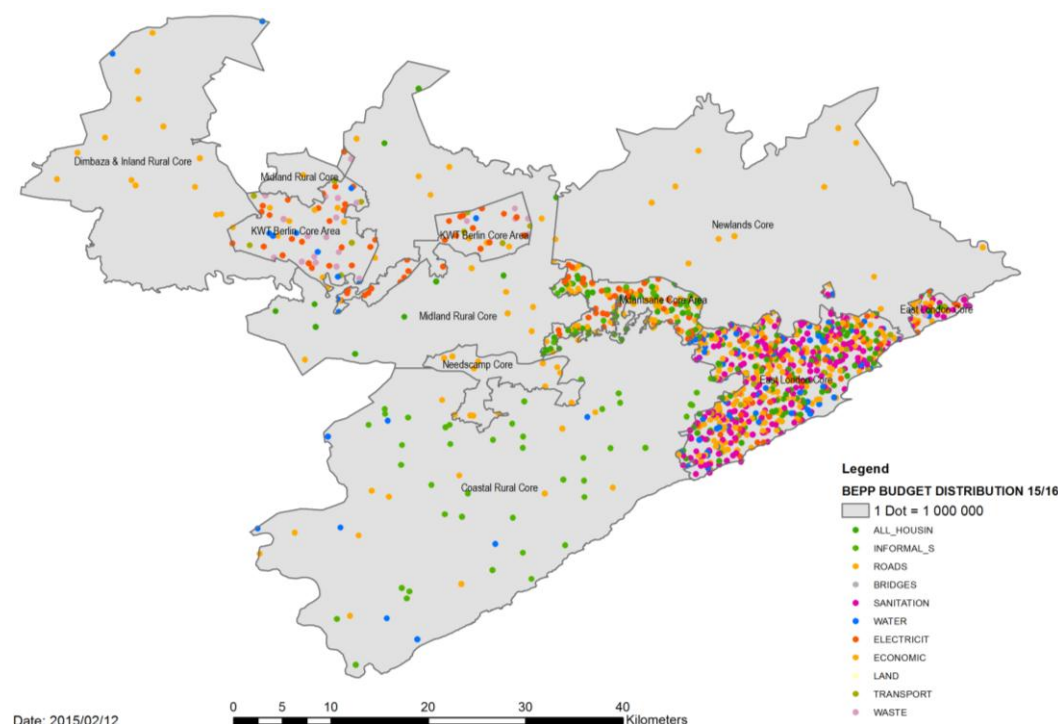


Figure E.1 : BCMM budget distribution 2015/2016

BCMM is implementing the following programmes within the integration zone over the 2015 – 2018 MTREF period.

	1 619 839 516.00	1 867 133 151.00	1 976 385 115.00	
Programme	2015/2016	2016/2017	2017/2018	
Housing – installation of internal services	211 424 000	323 359 685	386 579 685	
Housing – construction of top structures	521 655 947	733 500 00	528 300 000	
Sanitation Provision	258 055 969	137 000 000	293 298 430	
Water Provision	91 000 000	91 000 000	91 000 000	
Roads and Stormwater	235 000 000	180 000 000	224 900 000	
Electricity Infrastructure	158 500 000	171 500 000	111 500 000	
Transportation	30 000 000	163 611 051	225 022 000	
Local Economic Development	20 000 000	10 000 000	30 000 000	
Solid Waste Management	21 710 100	15 412 415	1 000 000	
Social Amenities	72 493 500	41 750 000	84 785 000	
Total	1 619 839 516	1 867 133 151	1 976 385 115	

Table E.2 : Programmes with Integratio Zone for 2015/2016 – 2017/2018 MTREF period

E.7 Value of Programmes and Projects per Network Element

Refer to Annexure B for detailed values of programmes and projects per Network Element.

E.8 Non-Infrastructure Related Interventions in Integration Zones

Generally it can be regarded that BCMM's by-laws are fragmented across BCMM and it result in certain areas within BCMM not being subjected to the provisions of the current by-laws. The overall review and amendment of by-laws in especially the integration zone will be a priority for the metro.

The review of the BCMM zoning scheme with the focus on the identified integration zone. The intention is that the zoning scheme will be made more flexible within the CBD and identified hubs of the metro.

E.9 The Application of Grant Resources by Grant Programme and/or Project

The overall capital and operating funding sources per grant are outlined in the Tables below. The detailed list of projects to be undertaken during the MTREF period and their respective funding sources is in Annexure C. The utilisation of the grant funding in the Integration zone, CBD, Hubs and activity corridor will be continuously monitored and refined by the organisation.

CAPITAL BUDGET PER FUNDING SOURCE			
Funding	2015/2016 Capital Budget	2016/2017 Capital Budget	2017/2018 Capital Budget
Own Funding	425 001 630	309 545 051	544 126 015
DoE (Intergrated National Electrification Programme)	30 000 000	30 000 000	30 000 000
Electricity Demand Side Management Grant	13 000 000	5 000 000	5 000 000
Integrated City Development Grant	0	9 81 000	10 829 000
Infrastructure Skills Development Grant	100 000	0	0
Neighbourhood Development Partnership Grant	20 000 000	20 000 000	25 000 000
Urban Settlement Development Grant	679 784 100	715 222 100	758 942 100
Human Settlement Development Grant	94 400 000	106 300 000	65 000 000



Human Settlement Development Grant-MPCC	13 068 500	0	0
Public Transport Infrastructure and Systems Grant	0	38 306 000	82 172 000
TOTAL	1 275 354 230	1 234 264 151	1 521 069 115

Table E.3 : Capital Budget per Funding Source for MTREF period

OPERATING PROJECTS BUDGET			
Projects	2015/2016 Operating Budget	2016/2017 Operating Budget	2017/2018 Operating Budget
Total Own Funding	69 850 000	92 860 000	151 160 000
Department of Local government and Traditional Affairs	2 000 000	1 000 000	1 000 00
European Commission	340 024	0	0
Expanded Public works Programme Incentives Grant	1 149 000	0	0
Finance Management Grant	1 300 000	1 300 000	1 300 000
Human Settlement Development Grant	361 798 999	733 500 000	528 300 000
Human Settlement Development Grant - MPCC	0	2 000 000	0
Infrastructure Skills Development Grant	8 400 000	9 500 000	11 000 000
Integrated City Development Grant	5 605 000	0	0
Municipal Human Settlement Capacity Grant	9 253 000	9 253 000	10 641 000
Urban Settlement Development Grant	33 347 900	33 147 900	32 147 900
TOTAL	423 193 923	789 700 900	584 388 900

Table E.4 : Operating Budget per Funding Source for MTREF period



ANNEXURE A

Indicators:

Performance Matrix for USDG Funds

Note: The detailed USDG Performance Matrix for the Built Environment for the 2015/2016 financial year is indicative and will only be finally completed once the baseline for the 2014/2015 has been confirmed. The information / data contained in this BEPP will be further reviewed and refined as the 2015/2016 SDBIP for the metro is finalized in July 2015.



Performance Measure	Baseline	Draft Target 2015/16 as per SDBIP
No. of ha land required for human settlements development	62,4Ha	171,8Ha
No. of ha land procured for greenfields development	8 Ha	3 Ha
No. of ha land (Including buildings) procured for brownfields development	13 Ha	4Ha
No. of ha of land proclaimed (Township Establishment completed)	34 Ha	6 Ha
No of dwelling units developed per ha	45 Units / Ha	50 Units / Ha
No of Informal Settlements	154	104
No of households living in informal settlements	2396	1800
No of informal settlements with upgrading plans	48	5
No of sites serviced	1200	1700
No of informal settlements upgraded (services provided) : In Situ	32	5
No of informal settlements upgraded (services provided) : Relocated	5	17
Number of Title Deeds transferred to eligible beneficiaries	1409	1260
KM's of paved roads	25 km	25km
KM's of gravelled roads	150km	150km
KM's surfaced roads resealed	115km	150km
KM's of road resurfaced / rehabilitated	175km	25km
KM's of stormwater drainage installed	35km	20km
KM's of pedestrian walkways constructed	3km	2km
Number of bus terminals or taxi ranks constructed	0	1
Number of bus/taxi stops constructed	2	2
No of formal domestic customers receiving water services	220 832	222 332
No of water services points installed for informal settlements dwellers within a 200m radius	877	895
No of additional households (RDP) provided with water connections	1200	1700
Backlog of consumer units provided with a basic level of potable water above RDP standards	12 505	11 750

Performance Measure	Baseline	Draft Target 2015/16 as per SDBIP
Backlog of consumer units provided with access to a free basic level of potable water, by means of an individual HH supply or in informal areas by means of a standpipe within 200m	950	1500
Backlog in the number of consumer units with access to a free basic level of potable water	1542	1250
No of formal domestic customers receiving sewerage services	160 509	160 709
No of sanitation service points (toilets) installed for informal settlement dwellers	580	610
No of additional households (RDP) provided with sewer connections	1081	419
Backlog in the provision of basic sanitation services (above RDP standards)	58 450	560
No of households with weekly kerb-side waste removal services in informal areas	143 000	145 000
No of informal settlements with access to refuse removal	10 Areas	15 Areas
No of additional households (RDP) provided with access to refuse removal	1500	1700
No of waste minimisation projects initiated	5	2
Backlog of kerb-side refuse removal services to consumer units (once a week)	30 627	28 000
No of informal households with access to basic electricity	700	750
No of high mast lights installed in informal settlements	5	5
No of additional households (RDP) provided with electricity connections	1000	1000
Backlog of electricity connections to consumer units	42 651	41 000
No of households provided with access to free Basic Electricity	64 000	65 500
No of community halls developed	17	6
No of sports fields and stadia developed	6	6
No of parks and gardens developed	10	10
No of clinics developed	N/A	
No of pre-schools developed	N/A	
No of community swimming pools developed	2	2
No of libraries developed	N/A	
No of museums and art galleries developed	0	0

Performance Measure	Baseline	Draft Target 2015/16 as per SDBIP
No of cemeteries developed	3	3
No of abattoirs developed	N/A	
No of markets developed	N/A	
No of fire safety and emergency facilities developed	2	2
No of jobs created using the Expanded Public Works Programme guidelines and other municipal programmes	9900	7900

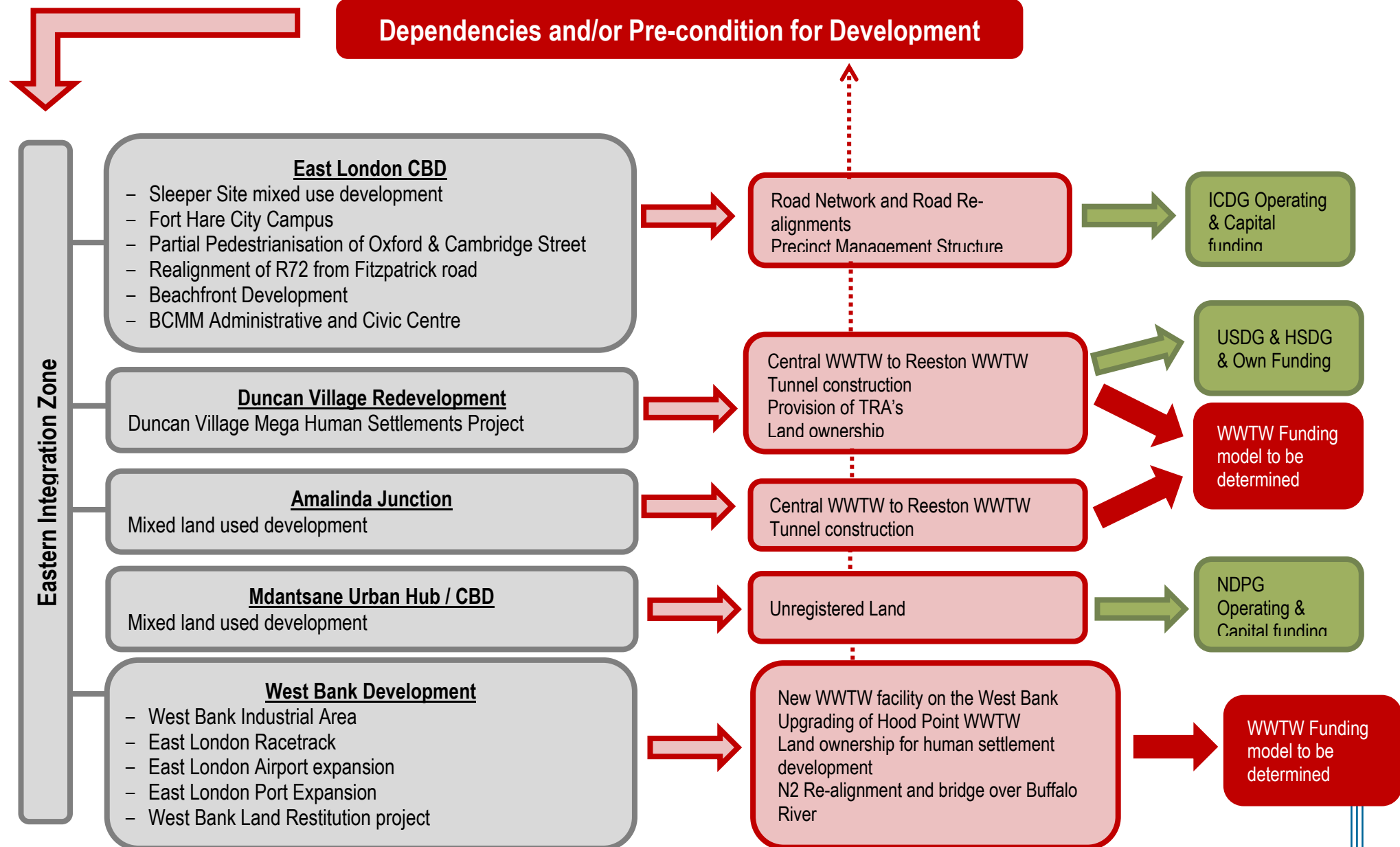
ANNEXURE B

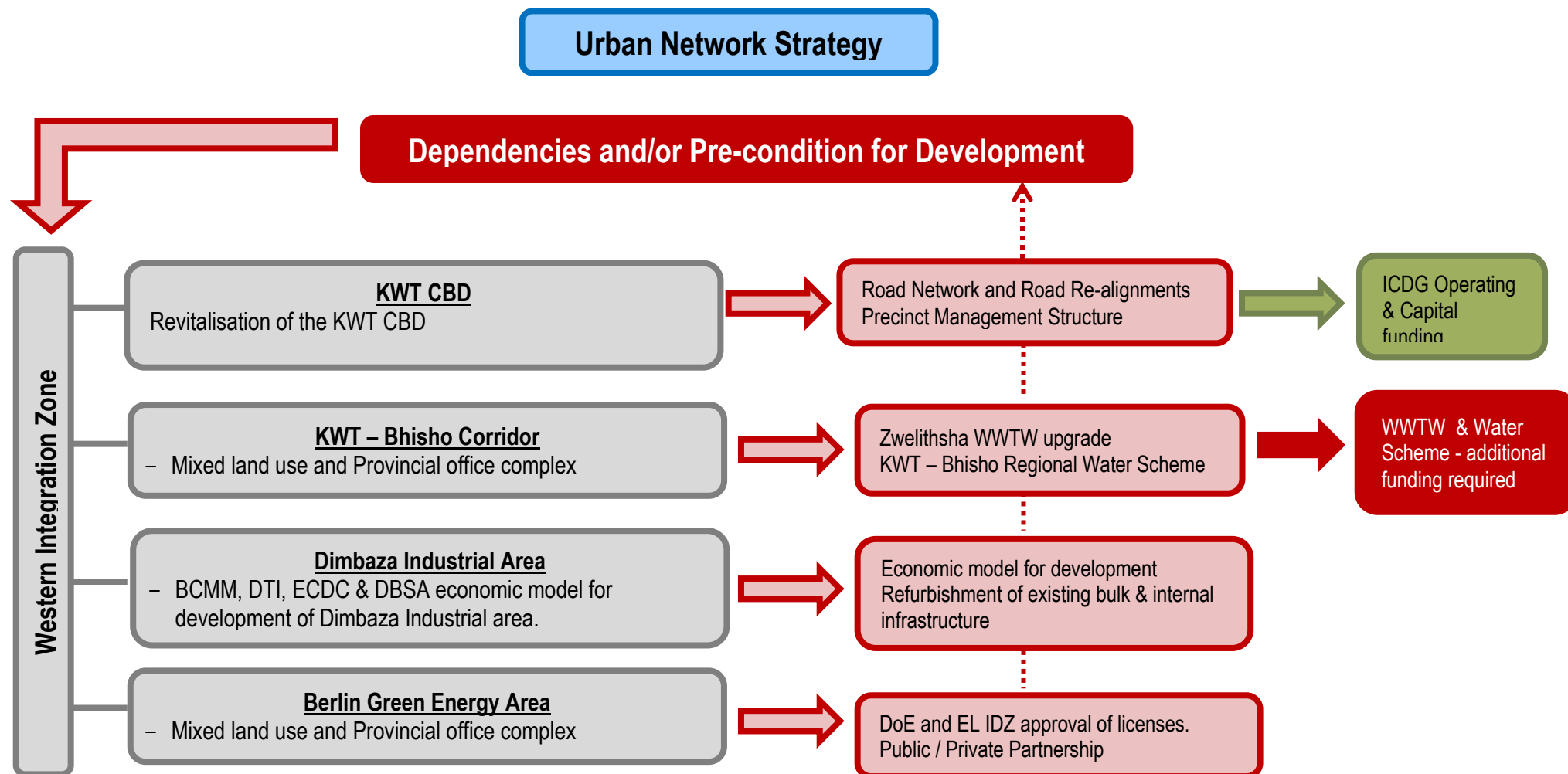
Catalytic Projects Matrix



Urban Network Strategy

Dependencies and/or Pre-condition for Development





CATALYTIC PROJECTS

Network Element

Primary CBD : East London Central Business District (CBD)



			Primary CBD : East London Central Business District (CBD)					
Name and Description of Programme			The city’s central business district (CBD) is critical to the new identity: it is the point of reference for people using and visiting the city. Its attractiveness as both a place to visit and a center of economic activity will determine how effective Buffalo City will be in attracting and retaining new businesses and employees, especially the highly skilled workforce needed for the services of the future. The regeneration and revitalizing of the East London CBD is an important catalytic project for the metro. The project will be phased, with overall benefits for the improvement of the public realm and that it will establish the CBD as an attractive location for new development. .					
Projects undertaken as part of the Programme			<u>Northern Precinct</u> Administrative / Civic Block	<u>Central Precinct</u> “Sleeper Site”	<u>Southern Precinct</u> “Fort Hare City Campus”	<u>Eastern Precinct</u> “Beachfront Development”	<u>Western Precinct</u> Future Mixed Use Development	<u>Transportation Routes</u> Oxford, Cambridge Street & R72 / Fitzpatrick re-alignment
Location of Project (GPS Coordinates)			-33.0116 27.9031	-33.0135 27.9078	-33.02108 27.9060	-33.0185 27.919	-33.0174 27.897	-33.0125 27.9115
Project Type	Residential	Subsidised						n/a
		Social					X	n/a
		Market (Low / Medium / Upper)		X		X	X	n/a
		Ownership / Rental		X		X	X	n/a
	Commercial	Office	X	X	X	X	X	n/a
		Retail	X	X		X	X	n/a
		Industrial						n/a
		Hospitality				X		n/a
Quantity			2923m2	14 ha	3117 m2	117 Ha	36 ha	37255m2
Unit								
Status by Project	Concept finalisation		X	X	X	X	X	X
	Tender, contract and manage consultants		To be determined	To be determined	To be determined	To be determined	To be determined	Commence 2015/16 financial year
	Raise finance		“	“	“	“	“	
	Phasing / Site packaging		“	“	“	“	“	

	Development Guidelines	“	“	“	“	“	
	Marketing	“	“	“	“	“	
Funding Source		Own Funding / LoanFundinf	USDG	ICDG	ICDG	To be determined	ICDG
Budget Amount per Project Phase	Identification	Completed	Completed				
	Concept & Prefeasibility	600,000	R1,595,827.86 (Completed)	R900,000	R600,000	To be determined	R1,600,000
	Project Delivery Approach	To be determined	To be determined	To be determined	To be determined	To be determined	
	Planning & Preparation	“	“	“	“	“	
	Site Preparation	“	“	“	“	“	
	Land Release	To be determined	R17 000 000.00 (Completed)	To be determined	To be determined	To be determined	
	Development	To be determined	To be determined	To be determined	To be determined	To be determined	R24,529,054
	Management	To be determined	To be determined	To be determined	To be determined	To be determined	
Spend by Project Phase	Identification	“	“	“	“	“	
	Concept & Prefeasibility	“	“	“	“	“	
	Project Delivery Approach	“	“	“	“	“	To be determined
	Planning & Preparation	“	“	“	“	“	“
	Site Preparation	“	“	“	“	“	“
	Land Release	N/A	R17,000,000	N/A	To be determined	To be determined	“
	Development	To be determined	To be determined	To be determined	To be determined	To be determined	“
	Management	“	“	“	“	“	“
Start Date by Project Phase	Identification	Completed	Completed	“	“	“	“
	Concept & Prefeasibility	Commence 2015/16 financial year	03/04/2014	Commence 2015/16 financial year	Commence 2015/16 financial year	“	Commence 2015/16 financial year
	Project Delivery Approach	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
	Planning & Preparation	“	“	“	“	“	“
	Site Preparation	“	“	“	“	“	“
	Land Release		2013		“	“	“
	Development	“	“	“	“	“	“
	Management	“	“	“	“	“	“
Completion Date by	Identification	1/7/2015	Completed	To be determined	To be determined	To be determined	“
	Concept & Prefeasibility		June 2015				
	Project Delivery Approach						
	Planning & Preparation						

	Site Preparation							
	Land Release							
	Development							
	Management							
Key Documentation by Project Phase	Identification				To be determined	To be determined	To be determined	
	Concept & Prefeasibility		X	X	X	X	“	X
	Project Delivery Approach		X	X	X	X		X
	Planning & Preparation			X				
	Site Preparation		To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
	Land Release			Deed of Sale				
	Development							
	Management							
Dependencies	Political approval Site			X		To be determined	To be determined	To be determined
	Acquisition			Completed				
	Rights Approval			X				
	Budget Approval			X				
	Related project completion (e.g. Infrastructure)			Infrastructure Upgrade i.e. Roads into the Sleeper site and availability of services for mixed land uses				
Agency	Department Responsible		BCMM	BCMM	BCMM & Fort Hare University	BCMM	BCMM	BCMM
	Contact Details		043 722 0260	043 722 0260	043 722 0260	043 722 0260	043 722 0260	043 722 0260
Key Documentation by Project Phase	Inception	Concept Report	X	X	X	X	To be determined	X
		Acquisition Documents		X			“	
	Prefeasibility	Site Analysis Report	X	X	X	X	“	X
		Market Report	X	X	X	X	“	
		Zoning Certificate	X		X	X	“	X
		Title Deed / S.G. Diagram		X				

	Project delivery model		To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
	Planning & Packaging	Detailed Design	X		X	X	“	X
		Feasibility	X	X	X			
		Project Guidelines	X	X	X	X	“	X
	Site Preparation (Tender documents)		To be determined	To be determined	To be determined	To be determined	To be determined	To be determined
	Site disposal	Disposal Documents						
		Management Agreements						

CATALYTIC PROJECTS

Network Element

King Williams Town (CBD)



King Williams Town Central Business District (CBD)		
<p>The King Williams Town central business district (CBD) is critical to the new efficient functioning of the town. Its attractiveness as both a place to visit and a center of economic activity will determine how effective Buffalo City will be in attracting and retaining new businesses and employees, especially the highly skilled workforce needed for the services of the future.</p> <p>The regeneration and revitalizing of the KWT CBD is an important catalytic project for the metro in the Western area of the metro. The project will be phased, with overall benefits for the improvement of the public realm and that it will establish the CBD as an attractive location for new development. .</p> <p>The following area and / or issues will be focused on :</p> <ul style="list-style-type: none"> • Aesthetics, proper and frequent waste management, cleaner central city/ architectural features/ upgrade of paving/ upgrade of taxi ranks. • Landscaping, the entrance from Port Elizabeth over the Buffalo River, Botanical Gardens/ Restoration of the two historical bridges being the “gateway” into the CBD at that point (Cathcart Street). • Cultural Heritage conservation, older buildings/ public places e.g.: Maclean Square, etc. • Effective control of informal trading, provision of hawker stands, etc. • Traffic calming and pedestrianization possibilities. • Proposed new BCMM Zoning Scheme prescribes no parking for the CBD, therefore acquisition of vacant land to develop parking lots within the CBD. 		
Location of Project (GPS Coordinates)		-32.8785 27.3889
Project Type	Residential	Subsidised
		Social
		Market (Low / Medium / Upper)
		Ownership / Rental
	Commercial	Office
		Retail
		Industrial

		Hospitality	X
Quantity			
Unit			
Status by Project Phase	Concept finalisation		Commence 2015/16 financial year
	Tender, contract and manage consultants		To be determined
	Raise finance		“
	Phasing / Site packaging		“
	Development Guidelines		“
	Marketing		“
Funding Source			ICDG
Budget Amount per Project Phase	Identification		Completed
	Concept & Prefeasibility		R1,905,000
	Project Delivery Approach		To be determined
	Planning & Preparation		“
	Site Preparation		“
	Land Release		To be determined
	Development		To be determined
	Management		To be determined
Spend by Project Phase	Identification		“
	Concept & Prefeasibility		“
	Project Delivery Approach		“
	Planning & Preparation		“
	Site Preparation		“
	Land Release		N/A
	Development		To be determined
	Management		“
Start Date by Project Phase	Identification		Completed
	Concept & Prefeasibility		Commence 2015/16 financial year
	Project Delivery Approach		To be determined
	Planning & Preparation		“

	Site Preparation		“	
	Land Release			
	Development			
	Management			
Completion Date by Project Phase	Identification			
	Concept & Prefeasibility			
	Project Delivery Approach			
	Planning & Preparation			
	Site Preparation			
	Land Release			
	Development			
	Management			
Key Documentation by Project Phase	Identification			
	Concept & Prefeasibility			X
	Project Delivery Approach			X
	Planning & Preparation			
	Site Preparation		To be determined	
	Land Release			
	Development			
	Management			
Dependencies	Political approval Site			
	Acquisition			
	Rights Approval			
	Budget Approval			
	Related project completion (e.g. Infrastructure)			
Agency	Department Responsible		BCMM 043 722 0260	
	Contact Details			
Key Documentation by Project Phase	Inception	Concept Report	X	
		Acquisition Documents		
	Prefeasibility	Site Analysis Report	X	

		Market Report	X
		Zoning Certificate	X
		Title Deed / S.G. Diagram	
	Project delivery model		To be determined
	Planning & Packaging	Detailed Design	X
		Feasibility	X
		Project Guidelines	X
	Site Preparation (Tender documents)		To be determined
	Site disposal	Disposal Documents	
		Management Agreements	

CATALYTIC PROJECTS

Network Element

Primary Urban Hub : Mdantsane



Primary Urban Hub : Mdantsane						
Name and Description of Programme	<p>This hub is identified as the primary hub for urban / catalytic intervention with the objective of linking and integrating previously segregated township of Mdantsane with the greater East London area.</p> <p>The Precinct Plan is currently being finalised with four main strategies and projects to be undertaken for each strategy identified.</p> <p><u>A Sense of Place</u> - Create high quality public environment that is relevant, meaningful to its people in its capacity to inspire local youth residents as well as outsiders to this area.</p> <p><u>Legible & Safe Public Space Network</u> - New tree planting and the use of a cohesive palette of materials for seating, lighting, signage and litterbins</p> <p><u>Streamline Vehicular Access & Movement</u> - Providing clear entrances and exits to land parcels, which will limit haphazard and unmanaged vehicular movements.</p> <p><u>Greater Diversity of Mixed & Diverse Residential land Uses and Options</u> - Create new medium density mixed housing with greater rental / financing options and incentivise multi-level mix of uses with live - work units and mixed use retail on the ground floor.</p>					
Projects undertaken as part of the Programme	Sandile Road	Mdantsane Urban Hub Precinct Plan	Mdantsane Urban Hub Strategies & Proposed Projects			
			A Sense of Place	Legible & Safe Public Space Network	Streamline Vehicular Access & Movement	Greater Diversity of Mixed & Diverse Residential Land Uses Options
			<p>Upgrade public transport interchange area, taxi rank and surrounds.</p> <p>Upgrade : Arts Centre, Boxing Hall Facility, Sport venue and youth centre</p>	<p>Network of safe pedestrian routes and public spaces.</p> <p>Create landmark public spaces</p> <p>Connect green spaces & parks</p> <p>Activate building edges along routes.</p>	<p>Reconfigure cross section of key public transport routes.</p> <p>New signalised intersection on Qumza Highway & Sandile road</p> <p>Direct overflow parking to reduce conflict between pedestrians, informal traders and vehicles.</p>	<p>Variety of medium to higher density residential types.</p> <p>Diversity of mixed uses and entertainment areas in CBD</p>
Location of Project	-32.943251, 27.754781	32.942710, 27.757719	32.942710, 27.757719	32.942710, 27.757719	32.942710, 27.757719	32.942710, 27.757719

GPS Coordinates								
Project Type	Residential	Subsidised	N/A	x	N/A	N/A	N/A	
		Social	N/A	x	N/A	N/A	N/A	
		Market (Low / Medium / Upper)	N/A	x	N/A	N/A	N/A	X
		Ownership / Rental	N/A	x	N/A	N/A	N/A	X
	Commercial	Office	N/A	x	N/A	N/A	N/A	X
		Retail	N/A	x	N/A	N/A	N/A	X
		Industrial	N/A		N/A	N/A	N/A	
		Hospitality	N/A	x	N/A	N/A	N/A	X
Quantity		800 x 4	77,3ha					
Status by Project Phase	Concept finalisation			Completed	Ongoing	Ongoing	Ongoing	Ongoing
	Tender, contract and manage consultants		Upgrading & Construction	Completed	To be determined	To be determined	To be determined	To be determined
	Raise finance							To be determined
	Phasing / Site packaging			To be completed by August 2015	To be determined	To be determined	To be determined	To be determined
	Development Guidelines			To be completed by August 2015	To be completed by August 2015	To be completed by August 2015	To be completed by August 2015	To be completed by August 2015
	Marketing		N/A					
Funding Source <i>NOTE : NDPG funding over MTEF is R65m. Breakdown per project(s) to be determined and approved by NDP.</i>			NDPG	NDPG	NDPG	NDPG	NDPG	NDPG
Budget Amount per Project Phase	Identification		Completed					
	Concept & Prefeasibility		Completed	R1,594,600				
	Project Delivery Approach		Completed					
	Planning & Preparation		Completed					
	Site Preparation		Completed					
	Land Release		N/A					
	Development		R5,000,000					
	Management		N/A					

Spend by Project Phase	Identification			To be determined	To be determined	To be determined	To be determined
	Concept & Prefeasibility	Completed					
	Project Delivery Approach	Completed					
	Planning & Preparation	Completed					
	Site Preparation	Completed					
	Land Release	N/A					
	Development	R4,311,562.73					
	Management						
Start Date by Project Phase	Identification			To be determined	To be determined	To be determined	To be determined
	Concept & Prefeasibility		07/01/2015				
	Project Delivery Approach						
	Planning & Preparation						
	Site Preparation						
	Land Release						
	Development	30/9/2014					
	Management						
Completion Date by Project Phase	Identification			To be determined	To be determined	To be determined	To be determined
	Concept & Prefeasibility						
	Project Delivery Approach		31/08/2015				
	Planning & Preparation						
	Site Preparation						
	Land Release						
	Development	30/04/2015					
	Management						
Key Documentation by Project Phase	Identification		X				
	Concept & Prefeasibility		X				
	Project Delivery Approach		To be determined				
	Planning & Preparation						
	Site Preparation						
	Land Release						
	Development						
	Management		X				
Dependencies	Political approval Site	N/A	X	To be determined	To be determined	To be determined	To be determined
	Acquisition	N/A	X				
	Rights Approval	N/A					

	Budget Approval		N/A				
	Related project completion (e.g. Infrastructure)		N/A	N/A			
Agency	Department Responsible		BCMM / EPMO	BCMM / EPMO			
	Contact Details		043 722 0335	043 722 0335			
Key Documentation by Project Phase	Inception	Concept Report	Completed	X			
		Acquisition Documents	Completed	N/A			
	Prefeasibility	Site Analysis Report	Completed	X			
		Market Report	N/A				
		Zoning Certificate	N/A				
		Title Deed / S.G. Diagram	N/A	Ongoing			
	Project delivery model				To be determined	To be determined	To be determined
	Planning & Packaging	Detailed Design	Completed				
		Feasibility	Completed				
		Project Guidelines	Annual Contractors for Roads, Traffic Calming.				
	Site Preparation (Tender documents)				To be determined	To be determined	To be determined
	Site disposal	Disposal Documents	N/A				
		Management Agreements	N/A				

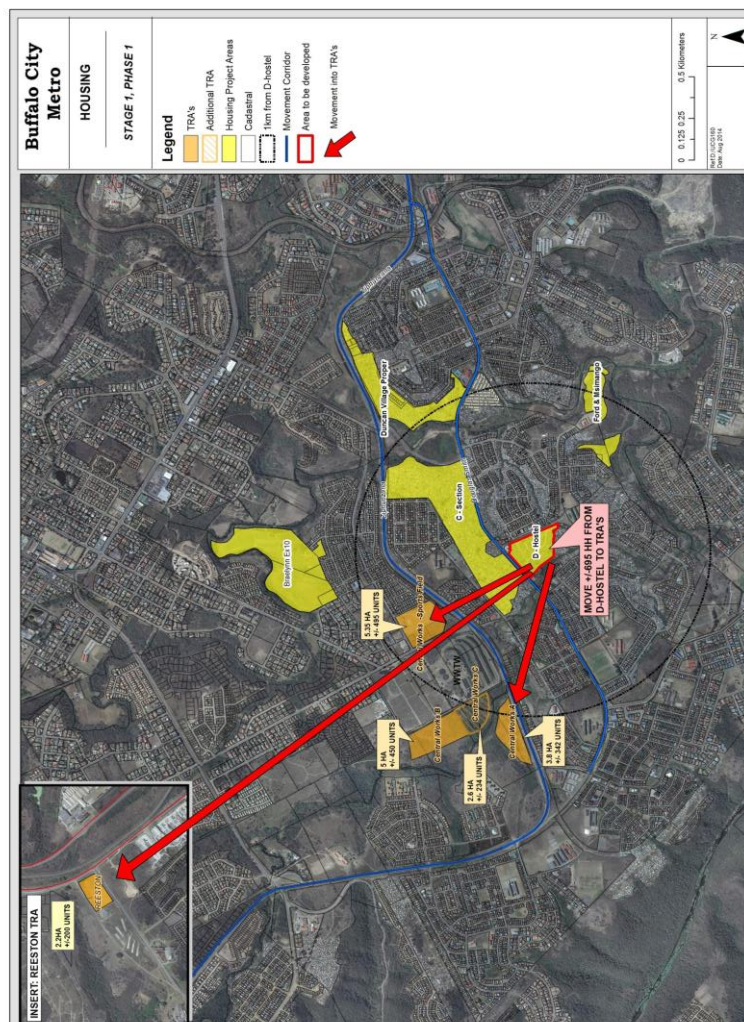
CATALYTIC PROJECTS

Network Element

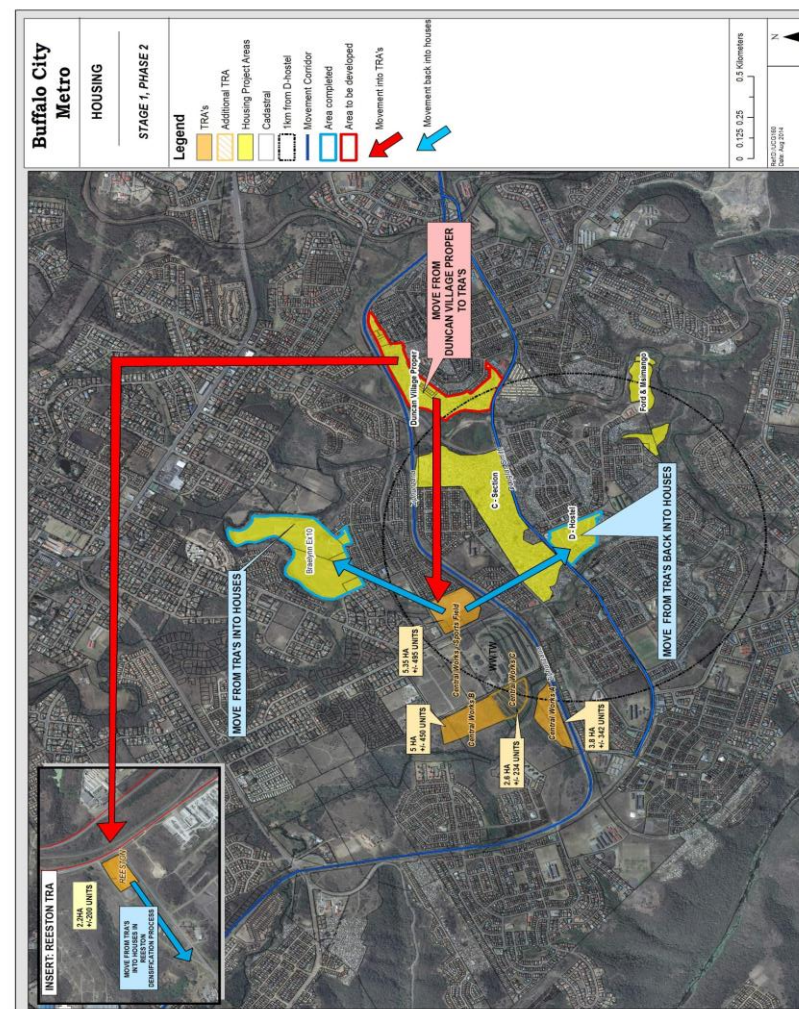
Functional Area: Duncan Village



Stage 1 Phase1



Stage 1 Phase 2



	Duncan Village Redevelopment	
<p>Name and Description of Programme</p>	<p>Duncan Village re-development is a complex, multi- faceted and multi-disciplinary initiative. It is an area with historical significance and currently it is estimated that around 70 000 – 100 000 people reside in the various precincts in mostly informal dwellings. Duncan Village contains the densest informal settlement in BCMM. BCMM started already in 2004 to discuss with the community the concept of denser mixed use living patterns in order to accommodate as many people within this inner city locality.</p> <p>The process of development of Duncan Village will be conducted through short, medium and long term objectives that will ultimately allow the formalisation of Duncan Village as well as the re-establishment of many families to new developments within BCMM. The long term objectives will take cognizance of urban development and the alignment of housing with easy access to employment opportunities as well as recreational amenities. The short term interventions will focus on making an impact within Duncan Village in the shortest possible time frame and will entail coordinated re-allocation of people to various temporary sites. Within this first draft the focus will be on providing an initial overall strategy.</p> <p>Development <u>within</u> Duncan Village can only take place if sufficient space is available to do so;</p> <ul style="list-style-type: none"> • The first block and future blocks to be cleared will be identified in accordance with practical considerations; • People will be re-located from an identified block towards a temporary relocation area (TRA). This is the only way to create sufficient space over a short period; • People will be moved from that geographic area only – hence prioritization will be on the basis of geographic location in Duncan Village; • From the TRA people will be moved to various projects which may include re-establishment within Duncan Village; • It is not possible to re-establish all the beneficiaries currently residing in Duncan Village back in Duncan Village. <p><u>Short Term Project Plan</u></p> <ul style="list-style-type: none"> • Identification of suitable TRA's located in Reeston TRA and in the vicinity of the Central Works East and West • Prioritisation of first block within Duncan Village – D Hostel • Upon support for action plan conduct socio economic survey to provide realistic picture of qualifiers/ tenants /owners etc. • Optimise opportunities within current projects: Reeston Phase 3 Stage 2 (1579) • Drive Complimentary projects: Braelynn Ext 10 North and Reeston 953 <p>The main challenge over the longer term is to find projects to accommodate the beneficiaries currently residing within the geographical boundaries of Duncan Village, but which cannot be accommodated within the ultimate housing provided. The pilot housing erven are 80m² which represents a significant departure from the standard 200-300m² product previously on offer and the construction phase is complete.</p> <p>The National Minister of Human settlements identified the need for strategic and integrated planning and the identification of Mega Projects located in priority areas. The Duncan Village Redevelopment Project has been identified as meeting the requirements of a mega project in the metro.</p>	

	Buffalo City Metropolitan Municipality appointed a Turnkey Implementing Agent responsible for the implementation of housing within Duncan Village as well as within areas linked to the Duncan Village Redevelopment Initiative.		
Location of Project (GPS Coordinates)	27.865608,-33.014693		
Criteria	Project	Project	Project
Housing Programme /s covered by project	Reeston Phase 3 Stage 2	Reeston Phase 3 Stage 3	Duncan Village Proper
Land Acquisition status	Transfer to Beneficiary	BCMM	BCMM
Geotech status	Completed	Completed	Completed
EIA approval status	Completed	Completed	Completed
Bulk Services status	Bulk water, sanitation, electricity sufficient	Bulk water, sanitation, electricity sufficient	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient
Township Establishment status	Completed	Completed	Completed
No of serviced sites to be delivered per annum	2500	2030	731
Planned Units per annum	2500	1137	731
Project funding	USDG & HSDG	USDG & HSDG	USDG & HSDG
Total Project Costs	R 685 613 000.00	R 254 720 843.73	R 200 473 241.20
Government funding required (if any) and gearing	Yes	Yes	Yes
Civil contractor procured and status of civil works	Yes	Yes	Implementation Agent
Top Structure contractor procured and status of works	Yes	Yes	Implementation Agent
Commencement Date of project	27 March 2015	29 April 2014	April 2018
Project Completion Date	September 2016	29 April 2016	March 2020
Potential Project Risks	Community unrest cannot commence project and political instability.	Community unrest cannot commence project and political instability.	Survey however has not been undertaken as yet due to the majority of the development area being occupied by informal structures. The approval of the said TRA's however will expedite the survey (GP's) due to the block movement that

			will be facilitated by it. Possible Land Invasion. Non Qualifiers with Beneficiary verification Financial Shortfall
Project Risk mitigation measures	Political intervention by PR/Ward Councillor	Political intervention by PR/Ward Councillor	Relocation to TRA to enable Land Surveying to be completed. Approve TRA's. Identify non qualifiers with social survey. Apply for additional HSDG funding for level A services. Manage land by fencing and notices , regular site inspections by law enforcement to assist with potential invasion.

Criteria	Project	Project	Project
Housing Programme /s covered by project	Duncan Village C-Section	Duncan Village D-Hostel	Braelynn Ext. 10
Land Acquisition status	BCMM	BCMM	BCMM
Geotech status	Completed	Completed	Completed
EIA approval status	Completed	Completed	Completed
Bulk Services status	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient
Township Establishment status	Completed	Completed	Completed
No of serviced sites to be delivered per annum	1540	356	556
Planned Units per annum	1540		556
Project funding	USDG & HSDG	USDG & HSDG	USDG & HSDG
Total Project Costs	R 422 337 608.00	R 97 631 291.20	R 152 480 331.20
Government funding required (if any) and gearing	Yes	Yes	Yes
Civil contractor procured and status of civil works	Implementation Agent	Implementation Agent	Implementation Agent
Top Structure contractor procured and status of works	Implementation Agent	Implementation Agent	Implementation Agent
Commencement Date of project	April 2020	May 2016	January 2021

Project Completion Date	January 2021	December 2017	
Potential Project Risks	Land Availability and land release from private and state		
Project Risk mitigation measures	H.D.A facilitating release of State land & DVRI Private Land to be initiated		

Criteria	Project	Project	Project
Housing Programme /s covered by project	Blockyard TRA	Ford Msimango	N2 Road Reserve
Land Acquisition status	BCMM	BCMM	BCMM
Geotech status	Completed	Completed	Completed
EIA approval status	Completed	Completed	Completed
Bulk Services status	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient	Bulk Sanitation needs to be upgraded by the Central WWTW to Reeston WWTW Tunnel construction. Electricity, water sufficient
Township Establishment status	N/A	Completed	Completed
No of serviced sites to be delivered per annum	166	199	355
Planned Units per annum	166	199	355
Project funding	USDG & HSDG	USDG & HSDG	USDG & HSDG
Total Project Costs	R 45 524 703.20	R 54 574 794.80	R 96 808 555.60
Government funding required (if any) and gearing	Yes	Yes	Yes
Civil contractor procured and status of civil works	Implementation Agent	Implementation Agent	Implementation Agent
Top Structure contractor procured and status of works	Implementation Agent	Implementation Agent	Implementation Agent
Commencement Date of project	June 2016	July 2017	June 2015
Project Completion Date		May 2018	April 2017
Potential Project Risks			

Project Risk mitigation measures			
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Criteria	Project	Project	Project
Housing Programme /s covered by project	Central WWTW to Reeston WWTW Tunnel Construction.	Reeston Treatment Civil Works. Reeston Treatment Mechanical and Electrical Works	TRA's
Land Acquisition status	BCMM	BCMM	BCMM
Geotech status	Completed	Completed	N/A
EIA approval status	Completed	Completed	N/A
Bulk Services status	Detailed designs for Tunnel completed	Completed	Temporary provision of services
Township Establishment status	N/A	Completed	N/A
No of serviced sites to be delivered per annum	N/A	N/A	
Planned Units per annum	N/A	N/A	700
Project funding	No Funding Available; Loan funding as option	USDG	HSDG
Total Project Costs	R 334 361 967.00	R 110 000 000 (Civil) R 100 000 000 (Mechanical & Electrical)	R 50 400 000.00
Government funding required (if any) and gearing	No	Yes	Yes
Civil contractor procured and status of civil works	No	Yes	Implementation Agent
Top Structure contractor procured and status of works	N/A	N/A	Implementation Agent
Commencement Date of project	March 2016	June 2016	November 2015
Project Completion Date	March 2018	May 2018	August 2016

Potential Project Risks		Mechanical works & electrical works outstanding	<p>Survey however has not been undertaken as yet due to the majority of the development area being occupied by informal structures. The approval of the said TRA's however will expedite the survey (GP's) due to the block movement that will be facilitated by it.</p> <p>Possible Land Invasion</p> <p>Non Qualifiers with Beneficiary verification</p> <p>Financial Shortfall</p>
Project Risk mitigation measures			<p>Relocation to TRA to enable Land Surveying to be completed.</p> <p>Approve TRA's. Identify non qualifiers with social survey. Apply for additional HSDG funding for level A services. Manage land by fencing and notices , regular site inspections by law enforcement to assist with potential invasion.</p>

ANNEXURE C

MTREF Projects



PROJECTS FOR 2015/2016 MTREF PERIOD

Project Name	Funding Source	2015/2016 Draft Budget	2016/2017 Draft Budget	2017/2018 Draft Budget
HOUSING : INTERNAL SERVICES				
Greenfields Projects				
Amalinda Co- Op	USDG	4 800 000	100 000	2 000 000
Amalinda Fairlands	USDG	300 000	500 000	20 000 000
Braelyn ext 10	HSDG	6 300 000	20 000 000	15 000 000
Ilitha North 177 Units	USDG	4 000 000	6 800 000	2 000 000
Peelton Cluster (Majali, Mdange, Kwatrain, Nkqonqweni, Drayini & Esixekweni)	USDG	700 000	500 000	300 000
Mdantsane Zone 18 CC Phase 2	USDG	8 500 000	18 500 000	50 000 000
Potsdam Ikhwezi Block 1	USDG	8 900 000	13 000 000	26 000 000
Potsdam Ikhwezi Block 2	USDG	200 000	200 000	48 000 000
Potsdam North Kanana	USDG	200 000	200 000	30 000 000
Reeston Phase 3 Stage 2	USDG	5 000 000	10 000 000	200 000
Reeston Phase 3: Stage 2	HSDG	15 000 000	20 000 000	10 000 000
Reeston Phase 3 Stage 3	HSDG	30 000 000	20 000 000	0
Reeston Phase 3 Stage 3	USDG	5 000 000	10 000 000	100 000
Sunny South	USDG	100 000	0	0
Tyutyu Phase 3	USDG	500 000	100 000	10 000 000
Westbank Restitution	USDG	16 000 000	15 000 000	64 779 685
Informal Settlement Upgrading				
Cluster 1 (Masibambane; Masibulele; Velwano; Ilinge and Dacawa)	USDG	25 000 000	85 595 000	23 000 000
Cluster 2 (Chris Hani 3; Winnie Mandela; Deluxolo Village; Sisulu Village; Francis Mei; Mahlangu Village, Mathemba Vuso, Gwentshe)	USDG	13 024 000	36 464 685	10 000 000
Cluster 3 (Fynbos Informal 1, Fynbos Informal 2, Ndancama)	USDG	25 350 000	20 100 000	35 000 000
Duncan Village Redevelopment				
D Hostel	HSDG	9 300 000	11 000 000	10 000 000
C Section and Triangular Site	HSDG	11 300 000	17 000 000	20 000 000
Duncan Village Proper	HSDG	20 000 000	18 300 000	10 000 000
DVRI Infrastructure Programme	HSDG	2 500 000	0	0
		211 424 000	322 589 685	386 079 685
HOUSING :TOP STRUCTURES				
Greenfields Projects				
Amalinda Co - Op	HSDG	4 000 000	16 000 000	15 000 000
Amalinda Fairlands	HSDG	500 000	5 000 000	3 500 000
Beneficiary Registration DVRI Projects (Reeston, Cambridge, DVRI Pilot, Braelyn ext 10, C Section and Triangular Site, D Hostel)	HSDG	100 000	0	0
Braelyn Ext 10 North	HSDG	10 000 000	20 000 000	37 000 000
Dimbaza 110	HSDG	1 000 000	0	0
Disaster Project - Tsholomnqa	HSDG	7 500 000	6 000 000	1 000 000
Hanover	HSDG	15 000 000	15 000 000	15 000 000
Ilitha Eradication of Wooden Houses to Formal Houses	HSDG	380 294	0	0



Ilitha North - 177 Units	HSDG	10 000 000	5 000 000	500 000
Mdantsane Zone 18CC	HSDG	15 000 000	67 500 000	68 000 000
Peelton Cluster (Majali, Mdange, Kwatrain, Nkqonqweni, Drayini & Esixekweni)	HSDG	28 000 000	40 000 000	48 000 000
Potsdam Ikhwezi Block 1	HSDG	20 000 000	48 900 000	3 000 000
Potsdam Ikhwezi Block 2	HSDG	0	31 000 000	57 200 000
Potsdam North Kanana	HSDG	0	43 000 000	50 000 000
Potsdam Village Phase 1 & 2	HSDG	34 000 000	46 000 000	5 000 000
Potsdam Village Phase 1 & 2	USDG	1 000 000	1 000 000	200 000
Reeston Phase 3 Stage 3	HSDG	30 000 000	30 000 000	5 000 000
Reeston Phase 3: Stage 2	HSDG	25 000 000	30 000 000	5 000 000
Skobeni	HSDG	15 000 000	15 000 000	15 000 000
Sunny South	HSDG	1 500 000	0	0
Tyutyu Phase 3	HSDG	0	10 000 000	10 000 000
Reconstruction of Storm Damaged Houses	HSDG	13 000 000	100 000	0
Duncan Village Redevelopment				
C Section and Triangular Site	HSDG	20 000 000	25 000 000	15 000 000
D Hostel	HSDG	15 000 000	25 000 000	15 000 000
Duncan Village Proper	HSDG	0	10 000 000	30 000 000
DVRI Planning Budget (FROM 8.7MIL)	Dept of LGTH	2 000 000	1 000 000	1 000 000
Informal Settlement Upgrading				
Cluster 1 (Masibambane; Masibulele; Velwano; Ilinge and Dacawa) P5	HSDG	41 000 000	76 000 000	32 000 000
Cluster 2 (Chris Hani 3; Winnie Mandela; Deluxolo Village; Sisulu Village; Francis Mei; Mahlangu Village, Mathemba Vuso, Gwentshe)	HSDG	15 000 000	75 000 000	3 000 000
Cluster 3 (Fynbos 1; Fynbos 2; Ndancama)	HSDG	30 000 000	83 000 000	83 000 000
		353 980 294	724 500 000	517 400 000
MDANTSANE URBAN HUB				
Implementation of Precint Plans	NDPG	20 000 000	20 000 000	25 000 000
		20 000 000	20 000 000	25 000 000
ENGINEERING : SANITATION				
Bulk Sanitation Provision - Replacing Existing Infrastructure	Own Funds	40 000 000	40 000 000	40 000 000
Bulk Sanitation Provision - Programme	USDG	190 000 000	97 000 000	58 712 415
EL Hood Point Pre-treatment Facility Recapitalisation	Own Funds	3 550 000	0	0
Mdantsane Waste Water Treatment Works – Renewal of existing Assets	Own Funds	24 505 969	0	36 763 015
Sanitation Tunnel to Reeston	Loan Funds	0	0	157 823 000
		258 055 969	137 000 000	293,298,430
ENGINEERING : WATER				
Bulk Water Provision Replacing of Existing Infrastructure	Own Funds	40 000 000	40 000 000	40 000 000
Bulk Water Provision - Programme	USDG	51 000 000	51 000 000	51 000 000
		91 000 000	91 000 000	91 000 000
ENGINEERING : ROADS & STORMWATER				
Roads Provision Replacement of Existing Infrastructure	Own Funds	80 000 000	0	80 000 000
Quinera Arterial Road	USDG	20 000 000	80 000 000	40 000 000
Upgrading of Mdantsane Roads	USDG	60 000 000	60 000 000	34 900 000



Rehabilitation of BCMM Bridges	USDG	5 000 000	10 000 000	10 000 000
Procurement of Graders for Rural Roads	USDG	15 000 000	30 000 000	30 000 000
KWT Roads	USDG	10 000 000	0	0
Gonubie Main Road	USDG	10 000 000	0	0
Fleet Street	USDG	50 000 000	0	0
RDP Roads – Dimbaza, Midlands, Coastal	USDG	15 000 000		
Rehabilitation and Upgrade of Existing Storm water Drainage	USDG	0	0	30 000 000
		265 000 000	180 000 000	224 900 000
ENGINEERING : ELECTRICITY	-		-	-
Bulk Electricity Infrastructure Upgrade (Ring-Fenced 4% of the Total Electricity Revenue)	Own Funds	50 000 000	60 000 000	0
Bulk Electricity Infrastructure Upgrade - Replacing Existing Infrastructure	Own Funds	40 000 000	40 000 000	40 000 000
INEP Electrification Programme	DoE (INEP)	30 000 000	30 000 000	30 000 000
INEP – Demand Side Management Programme	DoE (INEP)	13 000 000	5 000 000	5 000 000
INEP Electrification Programme - Counterfunding	USDG	5 000 000	5 000 000	5 000 000
Electrification of Informal Dwelling Areas within BCMM	USDG	15 000 000	20 000 000	20 000 000
Street Lighting and Highmasts within BCMM Areas of Supply - Informal Settlements	USDG	3 500 000	3 500 000	3 500 000
Replacement and Refurbishment of Bulk ELECT Infrastructure	USDG	2 000 000	8 000 000	8 000 000
		158 500 000	171 500 000	111 500 000
TRANSPORTATION	-		-	-
ITP implementation	USDG	30 000 000	59 500 000	39 500 000
ITP implementation	PTISG	0	38 306 000	82 172 000
		30 000 000	97 806 000	121 672 000
ECONOMIC DEVELOPMENT				
Enabling Infrastructure Programme - LED	USDG	10 000 000	10 000 000	30 000 000
Enabling Infrastructure Programme - LED	Own Funds	10 000 000	0	0
		20 000 000	10 000 000	30 000 000
BUILDING & MAINTENANCE				
New Parking Areas (pathways, parking and fencing)	Own Funds	0	10 000 000	10 000 000
New Disabled facilities	Own Funds	0	1 000 000	1 000 000
New Fencing and security access for Garcia Flats	Own Funds	0	400 000	400 000
New Fencing and security access for Gonubie Municipal Old Age Home, Sunny Mead	Own Funds	0	500 000	500 000
Re-roofing of Garcia Flats Block A and B	Own Funds	3 000 000	4 000 000	0
New Offices, Extensions to Ablutions and Workshops at Chislehurst BMS Depot	Own Funds	0	3 000 000	3 000 000
Major refurbishment of Municipal Buildings in various areas	Own Funds	0	7 500 000	15 000 000
Munifin Refurbishment	Own Funds	0	7 500 000	15 000 000
Aquarium	USDG	0	0	10 000 000
Orient Theatre Refurbishment	USDG	0	0	15 000 000
Establishment and Upgrading of Depots (Inland, Midlands and Coastal)		0	0	3 300 000
		3 000 000	22 900 000	62 200 000

SAFETY & RESCUE				
KWT Traffic Building	USDG	6 000 000	6 000 000	6 000 000
Air Monitoring Station	Own Funds	500 000	1 800 000	500 000
Tactic Radio Network	Own Funds	0	800 000	0
Early Warning Systems	Own Funds	0	500 000	0
Road Closure and Events Equipment	Own Funds	0	200 000	0
Fire Equipment	Own Funds	1 000 000	2 000 000	0
Vehicle Pound	Own Funds	0	200 000	0
Vehicle Test Station Equipment	Own Funds	1 000 000	2 000 000	1 000 000
Upgrade Vehicle Test Station	Own Funds	0	2 000 000	0
Fire Engine	Own Funds	7 600 000	4 000 000	4 000 000
Closed Circuit Television Network - CCTV	Own Funds	2 000 000	4 000 000	5 000 000
CCTV Cameras for BCMM Cash Offices	Own Funds	1 500 000	0	0
Upgrade CCTV Control Room at Fire Station	Own Funds	400 000	0	0
Law Enforcement Equipment	Own Funds	200 000	300 000	200 000
Traffic Services East London ; Gonubie ; Mdantsane - Generator / Solar System	Own Funds	500 000	500 000	500 000
		20 700 000	24 300 000	17 200 000
SOCIAL AMENITIES				
Development of Community Parks	USDG	0	0	4 000 000
Fencing of Community Parks	Own Funds	0	0	3 000 000
Environmental Enhancement: Parks and Cemeteries	Own Funds	0	10 000 000	10 000 000
Development and Upgrading of Cemeteries	USDG	8 000 000	8 000 000	8 000 000
Development and Upgrading of Community Halls - War Memorial Hall - Upgrade of Parking Area, Egoli Community Hall (New Hall), Continuation of KWT Town Hall, 5 NU Halls Mdantsane and painting of Carnegie Hall.	USDG	9 000 000	9 000 000	9 000 000
Reeston MPCC - DVRI	HSDG-(MPCC)	13 068 500	2 000 000	0
Construction of Nompumelelo Halls	USDG	5 000 000	0	0
Upgrade KWT Payments Hall	Own Funds	3 500 000	0	0
Grounds Maintenance: Halls	Own Funds	0	1 500 000	1 500 000
Redevelopment of Mdantsane NU 2 Swimming Pool	USDG	7 500 000	5 000 000	5 000 000
Redevelopment and Upgrading of Waterworld	USDG	5 000 000	0	0
Upgrading of Dimbaza and Zwelitsha Stadium	USDG	2 700 000	4 750 000	4 750 000
Sports Equipment and Structures	Own Funds	1 000 000	0	0
Fencing of Sports Fields	USDG	500 000	0	0
Grounds Maintenance: Sportsfields	Own Funds	0	2 500 000	2 500 000
Upgrading of Floodlights at Victoria Grounds, Bhisho Stadium, Ginsberg stadium, Sisa Dukashe Stadium, Alfred Schoeman Stadium, North End Stadium, Jan Smuts Stadium, Amalinda Stadium, and Gompo Stadium	USDG	3 000 000	10 000 000	3 000 000
Bush Clearing Programmes	Own Funds	0	3 000 000	3 000 000
Upgrading of Coastal Nature Reserves	Own Funds	4 450 000	0	6 750 000
Plant and Equipment for Nature Reserves	Own Funds	450 000	0	450 000
Upgrading of Beaches Facilities	Own Funds	1 500 000	0	2 000 000
Plant and Equipment for the Beaches	Own Funds	500 000	0	500 000
Grounds Maintenance: Sportsfields	Own Funds	0	3 000 000	3 000 000



Upgrading of Zoo Facilities	Own Funds	1 500 000	0	3 500 000
Upgrading of Resorts	Own Funds	5 000 000	0	5 000 000
Upgrading of Phakamisa and Mount Coke sports fields	USDG	1 500 000	0	0
Relocation of Aquarium	USDG	0	5 000 000	10 000 000
Refurbishment of Swimming Pools	Own Funds	2 500 000	0	5 000 000
		75 668 500	63 750 000	89 950 000
SOLID WASTE MANAGEMENT				
Operation and Management of Transfer Stations - 3 x Sites	Own Funds	4 000 000	5 000 000	4 000 000
17800 X240 Litre Wheelie Bins	Own Funds	8 500 000	10 000 000	10 000 000
Waste Minimisation Initiatives - Programme	Own Funds	0	3 600 000	0
Construction and Rehabilitation of Waste Cells	USDG	20 710 100	14 412 415	0
Waste Management Facilities Programme	USDG	1 000 000	1 000 000	1 000 000
		34 210 100	34 012 415	15 000 000

